

IDENTIFICATION

Year: 2010

1.	Legal Name of Respondent:	MDU Resources Group, Inc.
2.	Name Under Which Respondent Does Business:	Montana-Dakota Utilities Co.
3.	Date Utility Service First Offered in Montana	1920
4.	Address to send Correspondence Concerning Report:	Montana-Dakota Utilities Co. 400 North Fourth Street Bismarck, ND 58501
5.	Person Responsible for This Report:	Rita A. Mulkern
5a.	Telephone Number:	(701) 222-7854
Control Over Respondent		
1.	If direct control over the respondent was held by another entity at the end of year provide the following:	
1a.	Name and address of the controlling organization or person:	
1b.	Means by which control was held:	
1c.	Percent Ownership:	

SCHEDULE 2

Board of Directors 1/		
Line No.	Name of Director and Address (City, State) (a)	Remuneration (b)
1	Terry D. Hildestad, Bismarck, ND	-
2	Doran N. Schwartz, Bismarck, ND ^{2/}	-
3	Paul K. Sandness, Bismarck, ND	-
4	David L. Goodin, Bismarck, ND	-
5		-
6		
7		
8	1/ Montana-Dakota Utilities Co. is a division of MDU Resources Group, Inc.,	
9	and has no Board of Directors. The affairs of the Company are managed by	
10	a Managing Committee, the members of which are provided herein rather	
11	than the directors of MDU Resources Group, Inc.	
12	2/ Vernon Raile retired from the Managing Committee effective February 2, 2010.	
13	Doran N. Schwartz was elected on February 3, 2010.	
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18		

Officers

Year: 2010

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	President & Chief Executive Officer	Executive	David L. Goodin
2			
3			
4	Executive Vice President	Regulatory, Gas Supply and Business Development	Dennis L. Haider
5			
6			
7	Executive Vice President	Combined Utility Operations Support	Mike J. Gardner
8			
9	Vice President	Electric Supply	Andrea L. Stomberg
10			
11	Vice President	Operations	Jay W. Skabo
12			
13	Vice President	Controller and Chief Accounting Officer	Garret Senger
14			
15			
16	Vice President	Regulatory Affairs	Donald R. Ball ^{1/}
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18			
19			
20	1/ Retired on March 31, 2010.		
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CORPORATE STRUCTURE

Year: 2010

	Subsidiary/Company Name	Line of Business	Earnings (000's)	Percent of Total
1	Montana-Dakota Utilities Co./	Electric and Natural Gas Distribution	\$65,852	27.44%
2	Great Plains Natural Gas Co.			
3	(Divisions of MDU Resources			
4	Group, Inc.) Cascade			
5	Natural Gas Corp. and			
6	Intermountain Gas Company			
7				
8	WBI Holdings, Inc.	Pipeline and Energy Services and Natural Gas and Oil Production	108,846	45.36%
9				
10				
11	Knife River Corporation	Construction Materials and Mining	29,609	12.34%
12				
13		Construction Services	17,982	7.49%
14	MDU Construction Services			
15	Group, Inc.			
16		Other	17,685	7.37%
17	Centennial Energy Resources LLC/			
18	Centennial Holdings Capital LLC			
19				
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49				
50	TOTAL		\$239,974	100.00%

CORPORATE ALLOCATIONS - GAS

Year: 2010

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	Audit Costs	Administrative & General	Various Corporate Overhead Allocation Factors	\$2,491	1.46%	\$168,386
2						
3	Advertising	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	2,434	1.45%	165,357
4						
5						
6	Air Service	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	982	1.10%	88,376
7						
8						
9	Automobile	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	164	1.47%	10,980
10						
11						
12	Bank Services	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	5,692	1.46%	385,057
13						
14						
15	Computer Rental	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	110	1.46%	7,430
16						
17						
18	Consultant Fees	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	16,107	2.15%	731,516
19						
20						
21	Contract Services	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	25,872	1.29%	1,973,420
22						
23						
24	Corporate Aircraft	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	2,486	1.55%	158,088
25						
26						
27	Directors Expenses	Administrative & General	Corporate Overhead Allocation Factor Based on a Combination of Net Plant Investment and Number of Employees	16,587	1.50%	1,091,606
28						
29						
30						
31	Employee Benefits	Administrative & General	Corporate Overhead Allocation Factor Based on Number of Employees	973	1.45%	65,955
32						

CORPORATE ALLOCATIONS - GAS

Year: 2010

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	Employee Meetings	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	2,257	1.43%	155,865
2						
3						
4	Employee Reimbursable Expenses	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	1,935	1.23%	155,155
5						
6						
7	Legal Retainers & Fees	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	19,633	1.45%	1,334,658
8						
9						
10	Meal Allowance	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	30	1.44%	2,059
11						
12						
13	Meals & Entertainment	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	1,071	1.27%	83,454
14						
15						
16	Moving Expense	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	148	1.85%	7,867
17						
18						
19	Industry Dues & Licenses	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	1,795	1.35%	130,995
20						
21						
22	Office Expenses	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	1,419	1.77%	78,816
23						
24						
25	Prepaid Insurance	Administrative & General	Various Corporate Overhead Allocation Factors and Allocation Factors Based on Actual Experience	19,516	1.42%	1,351,258
26						
27						
28	Permits and Filing Fees	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	591	1.85%	31,427
29						
30						
31	Postage	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	358	1.66%	21,212
32						

SCHEDULE 5

Company Name: Montana-Dakota Utilities Co.

CORPORATE ALLOCATIONS - GAS

Year: 2010

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	Payroll	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	319,025	1.63%	19,230,081
2						
3						
4	Reimbursements	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	(692)	17.68%	(3,221)
5						
6						
7	Rental	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	202	1.66%	11,998
8						
9						
10	Reference Materials	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	2,888	1.50%	189,645
11						
12						
13	Seminars & Meeting	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	1,001	1.46%	67,440
14	Registrations					
15						
16	Software Maintenance	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	8,350	1.50%	548,928
17						
18						
19	Supplemental Insurance	Administrative & General	Various Corporate Overhead Factors	(15,940)	1.60%	(979,724)
20						
21	Telephone & Cell Phones	Administrative & General				
22			Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	2,862	1.20%	235,179
23						
24	Training Material	Administrative & General				
25			Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	659	1.47%	44,104
26						
27						
28						
29						
30						
31						
32	TOTAL			\$441,006	1.58%	\$27,543,367

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	KNIFE RIVER CORPORATION	Expense	Actual Costs Incurred			
2		Materials		\$1,352		\$993
3		Office Expense		416		105
4		Software Maintenance		43		11
5						
6		Capital		Actual Costs Incurred		
7		Contract Services			169	28
8		Materials			5,074	5,400
9						
10		Other				
11		Balance Sheet Accts		Actual Costs Incurred	614,033	
12						
13						
14						
15			Total Knife River Corporation Operating Revenues for the Year 2010			\$1,445,148,000
16			Excludes Intersegment Eliminations			
17						
18						
19						
20						
21						
22	TOTAL	Grand Total Affiliate Transactions		\$621,087	0.0430%	\$6,537

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility	
1	WBI HOLDINGS, INC	Natural Gas	Actual Costs Incurred				
2		Purchases/Transportation		\$59,658,323		\$18,485,724	
3							
4		Other	Actual Costs Incurred				
5		Auto Clearing		1,225			
6		Balance sheet accounts		1,395,455			
7		Non Utility		35,578			
8							
9							
10							
11			Total WBI Holdings, Inc. Operating Revenues for the Year 2010				
12			Excludes Intersegment Eliminations			\$764,163,000	
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24	TOTAL	Grand Total Affiliate Transactions		\$61,090,581	7.9944%	\$18,485,724	

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility	
1	MDU CONSTRUCTION SERVICES GROUP, INC	Capital	Actual Costs Incurred				
2		Contract Services		\$80,233		\$80,233	
3		Materials		1,184			
4							
5		Other	Actual Costs Incurred				
6		Miscellaneous		226,620			
7		Auto Clearing		438			
8							
9							
10							
11							
12			Total MDU Construction Services Group, Inc Operating Revenues for the Year 2010			\$789,100,000	
13			Excludes Intersegment Eliminations				
14							
15							
16							
17							
18							
19							
20							
21							
22	TOTAL	Grand Total Affiliate Transactions		\$308,475	0.0391%	\$80,233	

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2010

Line	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility	
1	CENTENNIAL HOLDINGS CAPITAL, LLC	Expense	* Various Corporate Overhead				
2		Contract Services	Allocation Factors and/or	\$94,019		\$23,847	
3		Corporate Aircraft	Actual Costs Incurred	7,941		1,587	
4		Office Expense		155,094		39,338	
5		Rent		231,972		58,838	
6		Other		22			
7							
8		Capital	Actual Costs Incurred				
9		Corporate Aircraft		4,302		1,158	
10		Materials		958,368		257,263	
11		Other		10			
12							
13		Other	Actual Costs Incurred				
14		Resources		386,982			
15		Balance Sheet Accts		2,582,095			
16		Clearing Accounts		2,842			
17		Non Utility		50			
18							
19		Total Centennial Holdings Capital, LLC Operating Revenues for the Year 2010				\$7,727,000	
20		Excludes Intersegment Eliminations					
21							
22	TOTAL	Grand Total Affiliate Transactions		\$4,423,697	57.2499%	\$382,031	

* Corporate overhead allocation factors are derived from the invested capital balance as a percentage of the total corporate invested capital. Montana-Dakota Utilities Co. cost of service amounts are calculated for the general office complex, the printing department, and the budget and forecast system. The general office complex amounts are payroll and floor space costs for employees that perform services for Corporate. These include A/P, general accounting, fixed asset accounting, and miscellaneous other services. The charges are based on the percentage of system users that are corporate employees. Both the general office complex and amounts for corporate are allocated to affiliated companies based on corporate overhead allocation factors. The printing department amount is allocated to affiliated companies based on the direct printing images processed for them and their percentage of the corporate overhead allocation for the corporate printed image amount.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	MDU ENERGY CAPITAL	Expense	Actual Costs Incurred			
2		Auto		\$89		\$13
3		Contract Services		(71,318)		(18,247)
4		Cost of Service		242,490		61,506
5		Miscellaneous Employee Benefits		15		4
6		Office Expenses		2,332		751
7		Payroll		(15)		(4)
8		Travel		1,262		334
9						
10		Capital	Actual Costs Incurred			
11		Auto		65		(25)
12		Contract Services		515,648		145,683
13		Materials		13,804		3,706
14		Office Expense		1,230		363
15		Travel		423		114
16						
17		Other Transactions/Reimbursements	Actual Costs Incurred			
18		Resources Cost Centers		449		
19		Auto Clearing		11,433		
20		Job Orders		2,786		
21		Subsidiary Receivables		35,262		
22		Miscellaneous Reimbursements		(45,869)		
23		Non Utility		60,771		
24						
25		Total MDU Energy Capital Operating Revenues for the Year 2010			\$600,594,000	
26		Grand Total Affiliate Transactions				
27						
28	TOTAL	Grand Total Affiliate Transactions		\$770,857	0.1283%	\$194,198

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	KNIFE RIVER CORPORATION	MDU RESOURCES GROUP, INC.	* Various Corporate Overhead Allocation Factors, Time Studies and/or Actual Costs Incurred			
2		Corporate Overhead				
3		Audit Costs		\$46,387		
4		Advertising		45,505		
5		Air Service		24,222		
6		Automobile		3,317		
7		Bank Services		106,060		
8		Corporate Aircraft		44,349		
9		Consultant Fees		248,826		
10		Contract Services		985,730		
11		Computer Rental		2,047		
12		Directors Expenses		302,546		
13		Employee Benefits		18,159		
14		Employee Meeting		42,726		
15		Employee Reimbursable Expense		46,149		
16		Express Mail		427		
17		Insurance		362,000		
18		Legal Retainers & Fees		367,223		
19		Moving Allowance		2,551		
20		Meal Allowance		565		
21		Cash Donations		14,523		
22		Meals & Entertainment		21,848		
23		Industry Dues & Licenses		36,162		
24		Office Expenses		27,647		
25		Supplemental Insurance		(275,066)		
26		Permits & Filing Fees		8,217		
27		Postage		5,471		
28		Payroll		5,469,429		
29		Reference Materials		52,089		
30		Rental		2,172		
31		Seminars & Meeting Registrations		19,351		
32		Software Maintenance		217,883		
33		Telephone/Cell Expenses		110,100		
34		Training		14,155		
35				Total MDU Resources Group, Inc.		\$8,372,770

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	KNIFE RIVER CORPORATION	MONTANA-DAKOTA UTILITIES CO.				
2		Office Services	* General Office Complex and Office			
3		Office Expenses	Supplies Cost of Service Allocation	\$190		
4		Postage	Factors	(61)		
5						
6		Other Direct Charges	Actual Costs Incurred			
7		Employee Discounts		40,046		
8		Dues, Permits, and Filing Fees		1,960		
9		Electric Consumption		100,470		
10		Gas Consumption		78,240		44,423
11		Miscellaneous		65,883		
12		Computer/Software Support		705,236		
13		Legal Fees		2,711		
14		Cost of Service		175,953		
15		Audit Costs		613,318		
16		Region Damage Billings		12,798		4,089
17		Employee Reimbursable Exp		31,506		
18		Misc Employee Benefits		11,681		
19		Contract Services		16,800		
20						
21			Total Montana-Dakota Utilities Co.		\$1,856,731	0.3231%
22						
23						
24		OTHER TRANSACTIONS/REIMBURSEMENTS				
25		Federal & State Tax Liability Payments		10,510,620		
26		Miscellaneous Reimbursements		(178,167)		
27						
28		Total Other Transactions/Reimbursements		10,332,453	1.7979%	
29						
30		Grand Total Affiliate Transactions		\$20,561,954	3.5780%	\$48,512
31						
32		Total Knife River Corporation Operating Expenses for 2010-Excludes Intersegment Eliminations			\$574,684,000	
33						

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

KNIFE RIVER CORPORATION

* Corporate overhead allocation factors are derived from the invested capital balance as a percentage of the total corporate invested capital. Montana-Dakota Utilities Co. cost of service amounts are calculated for the general office complex, the printing department, and the budget and forecast system. The general office complex amounts are payroll and floor space costs for employees that perform services for Corporate. These include A/P, general accounting, fixed asset accounting, and miscellaneous other services. The charges are based on the percentage of system users that are corporate employees. Both the general office complex and amounts for corporate are allocated to affiliated companies based on corporate overhead allocation factors. The printing department amount is allocated to affiliated companies based on the direct printing images processed for them and their percentage of the corporate overhead allocation for the corporate printed image amount.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	WBI HOLDINGS, INC.	MDU RESOURCES GROUP, INC.				
2		Corporate Overhead	* Various Corporate Overhead			
3		Audit Costs	Allocation Factors, Time	\$56,690		
4		Advertising	Studies and/or Actual Costs	55,978		
5		Air Service	Incurred	20,158		
6		Automobile		3,255		
7		Bank Services		129,735		
8		Corporate Aircraft		52,487		
9		Consultant Fees		212,572		
10		Contract Services		431,787		
11		Computer Rental		2,500		
12		Directors Expenses		355,667		
13		Employee Benefits		22,267		
14		Employee Meeting		53,808		
15		Employee Reimbursable Expense		44,223		
16		Express Mail		134		
17		Insurance		465,562		
18		Legal Retainers & Fees		452,218		
19		Meal Allowance		707		
20		Cash Donations		18,037		
21		Meals & Entertainment		28,493		
22		Moving Expense		2,241		
23		Industry Dues & Licenses		43,706		
24		Office Expenses		21,624		
25		Supplemental Insurance		(296,856)		
26		Permits & Filing Fees		10,490		
27		Postage		6,725		
28		Payroll		6,162,795		
29		Reference Materials		62,837		
30		Rental		6,012		
31		Seminars & Meeting Registrations		22,860		
32		Software Maintenance		153,453		
33		Telephone		70,886		
34		Training Material		13,936		
35		Total MDU Resources Group, Inc.		\$8,686,987	0.6285%	

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	WBI HOLDINGS, INC.	MONTANA-DAKOTA UTILITIES CO.				
2		Other	* Various Corporate Overhead			
3		Expense	Allocation Factors, Cost of			
4		Payroll	Service Factors, Time	\$13		
5		Automobile	Studies and /or Actual Costs	(27)		
6						
7		Office Services	* Various Corporate Overhead			
8		Expense	Allocation Factors			
9		Office Expenses		221		
10		Postage		(15)		
11						
12		Region Operations	* Various Corporate Overhead			
13		Expense	Allocation Factors and/or			
14		Automobile	Actual Costs Incurred	1,961		
15		Contract Services		1		
16		Materials		133		
17		Office Telephone		11		
18		Payroll		7,048		
19		Photocopier		1		
20		Utilities		9		
21		General & Administrative Expenses		1,252		
22						
23		Clearing Accounts	* Various Corporate Overhead			
24		Office Telephone	Time Studies and/or Actual Costs	242		
25			Incurred			
26						
27		Other Direct Charges	Actual Costs Incurred			
28		Utility/Merchandise Discounts		49,914		
29		Audit Costs		412,495		
30		Contract Maintenance Services		963		
31		Radio Maintenance		1,726		
32		Vehicle Maintenance		11,071		
33		Dues, Permits, and Filing Fees		6,370		
34		Misc Employee Benefits		104,713		

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price		(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	WBI HOLDINGS, INC.	Computer/Software Support		280,040		
2		Electric Consumption		1,228,175		932,327
3		Gas Consumption		45,437		31,768
4		Cost of Service		244,348		
5		Region Billings		69,854		35,657
6		Legal Fees		6,795		
7		Employee Reimbursable Exp		44,620		
8		Telephone Expense		12,612		
9		Miscellaneous		67,008		
10		BitterCreek Projects		114,364		
11		Total Montana-Dakota Utilities Co.		\$2,711,355	0.1962%	\$999,752
12						
13		OTHER TRANSACTIONS/REIMBURSEMENTS	Actual Costs Incurred			
14		Federal & State Tax Liability Payments		21,624,998		
15		Miscellaneous Reimbursements		(62,879)		
16		Total Other Transactions/Reimbursements		21,562,119	1.5601%	
17						
18		Grand Total Affiliate Transactions		\$32,960,461	2.3848%	\$999,752
19						
20						
21						
22		Total WBI Holdings Operating Expenses for 2010 - Excludes Intersegment Eliminations			\$1,382,103,000	
23						

* Corporate overhead allocation factors are derived from the invested capital balance as a percentage of the total corporate invested capital. Montana-Dakota Utilities Co. cost of service amounts are calculated for the general office complex, the printing department, and the budget and forecast system. The general office complex amounts are payroll and floor space costs for employees that perform services for Corporate. These include A/P, general accounting, fixed asset accounting, and miscellaneous other services. The charges are based on the percentage of system users that are corporate employees. Both the general office complex and amounts for corporate are allocated to affiliated companies based on corporate overhead allocation factors. The printing department amount is allocated to affiliated companies based on the direct printing images processed for them and their percentage of the corporate overhead allocation for the corporate printed image amount.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	MDU CONSTRUCTION SERVICES GROUP INC	MDU RESOURCES GROUP, INC.				
2		Corporate Overhead	* Various Corporate Overhead			
3		Audit Costs	Allocation Factors, Time	\$11,111		
4		Advertising	Studies and/or Actual Costs	10,940		
5		Air Service	Incurred	17,239		
6		Automobile		718		
7		Bank Services		25,418		
8		Corporate Aircraft		10,147		
9		Consultant Fees		33,287		
10		Contract Services		67,076		
11		Computer Rental		490		
12		Directors Expenses		70,918		
13		Employee Benefits		4,363		
14		Employee Meeting		10,410		
15		Employee Reimbursable Expense		18,026		
16		Express Mail		362		
17		Insurance		79,645		
18		Legal Retainers & Fees		88,340		
19		Moving Allowance		360		
20		Meal Allowance		137		
21		Cash Donations		3,510		
22		Meals & Entertainment		7,981		
23		Industry Dues & Licenses		8,649		
24		Office Expenses		3,502		
25		Supplemental Insurance		(61,556)		
26		Permits & Filing Fees		2,011		
27		Postage		1,310		
28		Payroll		1,227,522		
29		Reference Materials		12,431		
30		Rent		520		
31		Seminars & Meeting Registrations		4,115		
32		Software Maintenance		22,518		
33		Telephone/Cell Expenses		5,813		
34		Training Material		2,534		
35			Total MDU Resources Group, Inc.		\$1,689,847	0.2236%

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility	
1	MDU CONSTRUCTION SERVICES GROUP INC	MONTANA-DAKOTA UTILITIES CO.					
2		Office Services	* Various Corporate Overhead				
3		Office Supplies	Allocation Factors and/or Actual	\$14			
4			Costs Incurred				
5							
6		Other Miscellaneous Departments	* Various Corporate Overhead				
7		Payroll	Allocation Factors and/or Actual	50			
8			Costs Incurred				
9							
10							
11		Intercompany Settlements	Actual Costs Incurred				
12		Legal Fees		4,577			
13		Audit		435,729			
14		Computer/Software Support		63,778			
15		Employee Reimbursable Expense		3,138			
16		Cost of Service		91,427			
17		Misc Employee Benefits		(47,171)			
18		Vehicle Maintenance		223			
19		Dues, Permits, and Filing Fees		22,761			
20		Payroll		2,715,964			
21		Miscellaneous		74,097			
22		Employee Discounts		474			
23		Gas Consumption		2,155		2,155	
24							
25			Total Montana-Dakota Utilities Co.		\$3,367,216	0.4455%	\$2,155
26							

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	MDU CONSTRUCTION SERVICES GROUP INC	OTHER TRANSACTIONS/REIMBURSEMENTS	Actual Costs Incurred		0.9991%	
2		Federal & State Tax Liability Payments		7,735,354		
3		Miscellaneous Reimbursements		(184,300)		
4						
5		Total Other Transactions/Reimbursements		7,551,054		
6						
7		Grand Total Affiliate Transactions		\$12,608,117		
8						
9		Total MDU Construction Services Group, Inc. Operating Expenses for 2010			\$755,748,000	
10		Excludes Intersegment Eliminations				
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* Corporate overhead allocation factors are derived from the invested capital balance as a percentage of the total corporate invested capital. Montana-Dakota Utilities Co. cost of service amounts are calculated for the general office complex, the printing department, and the budget and forecast system. The general office complex amounts are payroll and floor space costs for employees that perform services for Corporate. These include A/P, general accounting, fixed asset accounting, and miscellaneous other services. The charges are based on the percentage of system users that are corporate employees. Both the general office complex and amounts for corporate are allocated to affiliated companies based on corporate overhead allocation factors. The printing department amount is allocated to affiliated companies based on the direct printing images processed for them and their percentage of the corporate overhead allocation for the corporate printed image amount.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	CENTENNIAL ENERGY RESOURCES	MDU RESOURCES GROUP, INC.	* Various Corporate Overhead Allocation Factors, Time Studies and/or Costs Incurred		3.6559%	
2		Corporate Overhead				
3		Payroll				
4						
5		Total MDU Resources Group, Inc.		\$40,580		
6						
7	MONTANA-DAKOTA UTILITIES CO.	Other Direct Charges	Actual costs incurred		3.0533%	
12		Audit Costs				
15		Employee Reimbursable Exp				
16		Miscellaneous				
17		Total Montana-Dakota Utilities Co.		\$33,892		
18						
19	OTHER TRANSACTIONS/REIMBURSEMENTS	OTHER TRANSACTIONS/REIMBURSEMENTS	Actual costs incurred		1389.9469%	
20		Federal & State Tax Liability Payments				
22		Total Other Transactions/Reimbursements		15,428,411		
23						
24		Grand Total Affiliate Transactions		\$15,502,883	1396.6561%	
25						
26		Total Centennial Energy Resources Operating Expenses for 2010			\$1,110,000	
27		Excludes Intersegment Eliminations				

* Corporate overhead allocation factors are derived from the invested capital balance as a percentage of the total corporate invested capital. Montana-Dakota Utilities Co. cost of service amounts are calculated for the general office complex, the printing department, and the budget and forecast system. The general office complex amounts are payroll and floor space costs for employees that perform services for Corporate. These include A/P, general accounting, fixed asset accounting, and miscellaneous other services. The charges are based on the percentage of system users that are corporate employees. Both the general office complex and amounts for corporate are allocated to affiliated companies based on corporate overhead allocation factors. The printing department amount is allocated to affiliated companies based on the direct printing images processed for them and their percentage of the corporate overhead allocation for the corporate printed image amount.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	CENTENNIAL HOLDINGS	MONTANA-DAKOTA UTILITIES CO.				
2	CAPITAL CORP. AND					
3	FUTURESOURCE	Other Direct Charges	Actual costs incurred			
4		Computer/Software Support		\$86,661		
5		Employee Reimbursable Exp		30,671		
6		Electric Consumption		150,065		
7		Gas Consumption		14,445		
8		Payroll		423,050		
9		Miscellaneous		7,580		
10		Total Montana-Dakota Utilities Co.		\$712,472	12.3715%	
11						
12		OTHER TRANSACTIONS/REIMBURSEMENTS	Actual costs incurred			
13		Miscellaneous Reimbursements		(2,493)		
14		Federal & State Tax Liability Payments		(2,058,019)		
15		Total Other Transactions/Reimbursements		(2,060,512)	-35.7790%	
16						
17		Grand Total Affiliate Transactions		(\$1,348,040)	-23.4075%	
18						
19		Total CHCC Operating Expenses for 2010			\$5,759,000	
20		Excludes Intersegment Eliminations				
21						
22						
23						

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	MDU ENERGY	MDU RESOURCES GROUP, INC.				
2	CAPITAL **	Corporate Overhead	* Various Corporate Overhead			
3		Audit Costs	Allocation Factors, Time	\$32,187		
4		Advertising	Studies and/or Actual Costs	31,443		
5		Air Service	Incurred	18,069		
6		Automobile		2,025		
7		Bank Services		73,551		
8		Corporate Aircraft		29,172		
9		Consultant Fees		93,145		
10		Contract Services		263,315		
11		Computer Rental		1,421		
12		Directors Expenses		215,022		
13		Employee Benefits		12,568		
14		Employee Meeting		29,071		
15		Employee Reimbursable Expense		29,200		
16		Express Mail		65		
17		Insurance		271,210		
18		Legal Retainers & Fees		253,571		
19		Meal Allowance		386		
20		Cash Donations		9,973		
21		Meals & Entertainment		15,481		
22		Moving Allowance		1,412		
23		Industry Dues & Licenses		24,335		
24		Office Expenses		13,330		
25		Supplemental Insurance		(205,076)		
26		Permits & Filing Fees		5,512		
27		Postage		3,799		
28		Payroll		3,447,534		
29		Reference Materials		36,725		
30		Rental		1,508		
31		Seminars & Meeting Registrations		12,254		
32		Software Maintenance		81,325		
33		Telephone		23,002		
34		Training Material		7,665		
35		Total MDU Resources Group, Inc.		\$4,834,200	0.8806%	

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	MDU ENERGY	MONTANA-DAKOTA UTILITIES CO.				
2	CAPITAL **	Communications Department	* Various Corporate Overhead			
3		Automobile	Allocation Factors, Cost of	\$4,968		
4		Air Service	Service Factors, Time Studies	6,498		
5		Payroll	and/or Actual Costs Incurred	1,291,473		
6		Employee Benefits		150		
7		Employee Reimbursable Expense		16,389		
8		Materials		9,419		
9		Meals & Entertainment		8,980		
10		Office Supplies		12,808		
11		Other		1,335		
12		Seminars & Meeting Registrations		6,505		
13		Software		34,169		
14						
15		Customer Service/Development	* Various Corporate Overhead			
16		Air Service	Allocation Factors, Cost of	18,065		
17		Payroll	Service Factors, Time Studies	3,533,362		
18		Contract Services	and/or Actual Costs Incurred	19,626		
19		Custodial Services		20,048		
20		Employee Benefits		18,917		
21		Employee Reimbursable Expense		19,161		
22		Meals & Entertainment		10,864		
23		Office Supplies		17,217		
24		Other		1,629		
25		Postage		171		
26		Rent		12,442		
27		Seminars & Meeting Registrations		1,474		
28		Software		50,521		
29		Telephone		116,514		
30		Utilities		24,709		
31						
32		Information Systems	* Various Corporate Overhead			
33		Automobile	Allocation Factors, Cost of Service	1,312		
34		Air Service	Factors, Time Studies and/or	26,480		
35		Payroll	Actual Costs Incurred	1,767,329		

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	MDU ENERGY	MONTANA-DAKOTA UTILITIES CO.				
2	CAPITAL **	Computer Rent		16,756		
3		Contract Services		11,590		
4		Employee Reimbursable Expense		22,000		
5		Meals & Entertainment		9,585		
6		Office Supplies		5,929		
7		Other		632		
8		Rent		12,223		
9		Seminars & Meeting Registrations		3,890		
10		Software		68,599		
11						
12		Transportation Department	* Various Corporate Overhead			
13		Automobile	Allocation Factors, Cost of Service	428		
14		Air Service	Factors, Time Studies and/or	1,386		
15		Payroll	Actual Costs Incurred	201,627		
16		Employee Reimbursable Expense		3,416		
17		Meals & Entertainment		801		
18		Other		1,114		
19						
20		Credit and Collections	* Various Corporate Overhead			
21		Automobile	Allocation Factors, Cost of Service	1,032		
22		Air Service	Factors, Time Studies and/or	11,993		
23		Payroll	Actual Costs Incurred	445,898		
24		Contract Services		465		
25		Employee Reimbursable Expense		8,904		
26		Meals & Entertainment		2,555		
27		Office Supplies		1,284		
28		Seminars & Meeting Registrations		1,131		
29		Other		735		
30						
31		Executive Departments	* Various Corporate Overhead			
32		Automobile	Allocation Factors, Cost of Service	845		
33		Air Service	Factors, Time Studies and/or	28,048		
34		Payroll	Actual Costs Incurred	1,177,567		
35		Consulting Services		7,567		

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	MDU ENERGY	MONTANA-DAKOTA UTILITIES CO.				
2	CAPITAL **	Corporate Aircraft		1,170		
3		Employee Reimbursable Expense		17,525		
4		Meals & Entertainment		10,058		
5		Moving Expense		7,725		
6		Office Supplies		2,160		
7		Seminars & Meeting Registrations		1,392		
8		Other		5,519		
9						
10		Payroll Accounting/Human Resources	* Various Corporate Overhead			
11		Payroll	Allocation Factors, Cost of Service	80,573		
12		Other	Factors, Time Studies and/or	390		
13			Actual Costs Incurred			
14						
15		Field Automation	* Various Corporate Overhead			
16		Automobile	Allocation Factors, Cost of Service	323		
17		Air Service	Factors, Time Studies and/or	2,765		
18		Payroll	Actual Costs Incurred	101,282		
19		Employee Reimbursable Expense		1,929		
20		Meals & Entertainment		458		
21		Office Supplies		2,059		
22		Software		5,983		
23		Other		4		
24						
25		Other Miscellaneous Departments	* Various Corporate Overhead			
26		Payroll	Allocation Factors, Cost of Service	48,019		
27		Other	Factors, Time Studies and/or	(89)		
28			Actual Costs Incurred			
29						
30		OTHER TRANSACTIONS/REIMBURSEMENTS				
31		Other Direct Charges	Actual costs incurred			
32		Misc Employee Benefits		703,280		
33		Audit Costs		381,844		
34		Cost of Service		1,758,526		

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	MDU ENERGY	MONTANA-DAKOTA UTILITIES CO.				
2	CAPITAL **	Computer/Software Support		639,785		
3		Legal Fees		11,704		
4		Projects		4,655,520		
5		Payroll		266,037		
6		Employee Reimbursable Exp		109,660		
7		Telephone Expense		57,156		
8		Miscellaneous		478,579		
9						
10		INTERCOMPANY SETTLEMENTS				
11		O&M	Actual costs incurred			
12		Auto		740		
13		Vehicle Maintenance		11,144		
14		Miscellaneous		(9,845)		
15		Employee Reimbursable Expense		1,449		
16		Material		206		
17		Telephone Expense		14		
18						
19		Capital	Actual costs incurred			
20		Auto		77		
21		Subcontract		105,200		
22		Permits and Fees		1,408		
23		Employee Reimbursable Expense		2,436		
24		Material		5,894		
25		Miscellaneous		551		
27		Total Montana-Dakota Utilities Co.		\$18,571,145	3.3829%	
28						
29		Federal & State Tax Liability Payments		3,469,120		
30		Miscellaneous Reimbursements		(23,562)		
31		Total Other Transactions/Reimbursements		3,445,558	0.6276%	
32						
33		Grand Total Affiliate Transactions		\$26,850,903	4.8912%	
34						
35		Total MDU Energy Capital Operating Expenses for 2010			\$548,965,000	
36		Excludes Intersegment Eliminations				

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

MDU ENERGY CAPITAL

* Corporate overhead allocation factors are derived from the invested capital balance as a percentage of the total corporate invested capital. Montana-Dakota Utilities Co. cost of service amounts are calculated for the general office complex, the printing department, and the budget and forecast system. The general office complex amounts are payroll and floor space costs for employees that perform services for Corporate. These include A/P, general accounting, fixed asset accounting, and miscellaneous other services. The charges are based on the percentage of system users that are corporate employees. Both the general office complex and amounts for corporate are allocated to affiliated companies and amounts for corporate are allocated to affiliated companies based on corporate overhead allocation factors. The printing department amount is allocated to affiliated companies based on the direct printing images processed for them and their percentage of the corporate overhead allocation for the corporate printed image amount.

** MDU Energy Capital is the parent company for Cascade Natural Gas Company and Intermountain Gas Company.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2010

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	CENTENNIAL ENERGY HOLDING INC	MONTANA-DAKOTA UTILITIES CO.	Actual costs incurred			
2						
3		Other Direct Charges				
4		Audit Costs		\$109,761		
5		Employee Reimbursable Exp		125		
6		Miscellaneous		77,463		
7		Total Montana-Dakota Utilities Co.		\$187,349		
8						
9		Grand Total Affiliate Transactions		\$187,349		
10						
11						
12						
13						

MONTANA UTILITY INCOME STATEMENT

Year: 2010

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	\$77,730,500	\$70,844,518	-8.86%
2				
3	Operating Expenses			
4	401 Operation Expenses	\$66,883,054	\$60,092,529	-10.15%
5	402 Maintenance Expense	974,066	923,110	-5.23%
6	403 Depreciation Expense	2,681,239	2,683,837	0.10%
7	404-405 Amort. & Depl. of Gas Plant	198,611	132,050	-33.51%
8	406 Amort. of Gas Plant Acquisition Adjustments			
9	407.1 Amort. of Property Losses, Unrecovered Plant			
10	& Regulatory Study Costs			
11	407.2 Amort. of Conversion Expense			
12	408.1 Taxes Other Than Income Taxes	2,928,948	3,126,339	6.74%
13	409.1 Income Taxes - Federal	2,083,053	(828,689)	-139.78%
14	- Other	544,140	(181,972)	-133.44%
15	410.1 Provision for Deferred Income Taxes	(1,587,922)	1,535,952	196.73%
16	411.1 (Less) Provision for Def. Inc. Taxes - Cr.	(150,843)	279,367	285.20%
17	411.4 Investment Tax Credit Adjustments			
18	411.6 (Less) Gains from Disposition of Utility Plant			
19	411.7 Losses from Disposition of Utility Plant			
20	TOTAL Utility Operating Expenses	\$74,554,346	\$67,762,523	-9.11%
21	NET UTILITY OPERATING INCOME	\$3,176,154	\$3,081,995	-2.96%

MONTANA REVENUES

SCHEDULE 9

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Gas			
2	480 Residential	\$49,407,605	\$43,725,041	-11.50%
3	481 Commercial & Industrial - Small	29,035,049	26,373,205	-9.17%
4	Commercial & Industrial - Large	33,351	1,161	-96.52%
5	482 Other Sales to Public Authorities			
6	484 Interdepartmental Sales			
7	485 Intracompany Transfers			
8	Net Unbilled Revenue	(2,129,813)	(845,627)	60.30%
9	TOTAL Sales to Ultimate Consumers	76,346,192	69,253,780	-9.29%
10	483 Sales for Resale			
11	TOTAL Sales of Gas	\$76,346,192	\$69,253,780	-9.29%
12	Other Operating Revenues			
13	487 Forfeited Discounts & Late Payment Revenues			
14	488 Miscellaneous Service Revenues	\$46,652	\$39,596	-15.12%
15	489 Revenues from Transp. of Gas for Others 1/	1,124,810	1,269,502	12.86%
16	490 Sales of Products Extracted from Natural Gas			
17	491 Revenues from Nat. Gas Processed by Others			
18	492 Incidental Gasoline & Oil Sales			
19	493 Rent From Gas Property	155,385	237,171	52.63%
20	494 Interdepartmental Rents			
21	495 Other Gas Revenues	57,461	44,469	-22.61%
22	TOTAL Other Operating Revenues	1,384,308	1,590,738	14.91%
23	Total Gas Operating Revenues	\$77,730,500	\$70,844,518	-8.86%
24				
25	496 (Less) Provision for Rate Refunds			
26				
27	TOTAL Oper. Revs. Net of Pro. for Refunds	\$77,730,500	\$70,844,518	-8.86%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2010

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses			
2	Production & Gathering - Operation			
3	750 Operation Supervision & Engineering			
4	751 Production Maps & Records			
5	752 Gas Wells Expenses			
6	753 Field Lines Expenses			
7	754 Field Compressor Station Expenses		NOT	
8	755 Field Compressor Station Fuel & Power		APPLICABLE	
9	756 Field Measuring & Regulating Station Expense			
10	757 Purification Expenses			
11	758 Gas Well Royalties			
12	759 Other Expenses			
13	760 Rents			
14	Total Operation - Natural Gas Production			
15	Production & Gathering - Maintenance			
16	761 Maintenance Supervision & Engineering			
17	762 Maintenance of Structures & Improvements			
18	763 Maintenance of Producing Gas Wells			
19	764 Maintenance of Field Lines			
20	765 Maintenance of Field Compressor Sta. Equip.		NOT	
21	766 Maintenance of Field Meas. & Reg. Sta. Equip.		APPLICABLE	
22	767 Maintenance of Purification Equipment			
23	768 Maintenance of Drilling & Cleaning Equip.			
24	769 Maintenance of Other Equipment			
25	Total Maintenance- Natural Gas Prod.			
26	TOTAL Natural Gas Production & Gathering			
27	Products Extraction - Operation			
28	770 Operation Supervision & Engineering			
29	771 Operation Labor			
30	772 Gas Shrinkage			
31	773 Fuel			
32	774 Power			
33	775 Materials			
34	776 Operation Supplies & Expenses		NOT	
35	777 Gas Processed by Others		APPLICABLE	
36	778 Royalties on Products Extracted			
37	779 Marketing Expenses			
38	780 Products Purchased for Resale			
39	781 Variation in Products Inventory			
40	782 (Less) Extracted Products Used by Utility - Cr.			
41	783 Rents			
42	Total Operation - Products Extraction			
43	Products Extraction - Maintenance			
44	784 Maintenance Supervision & Engineering			
45	785 Maintenance of Structures & Improvements			
46	786 Maintenance of Extraction & Refining Equip.			
47	787 Maintenance of Pipe Lines			
48	788 Maintenance of Extracted Prod. Storage Equip.		NOT	
49	789 Maintenance of Compressor Equipment		APPLICABLE	
50	790 Maintenance of Gas Meas. & Reg. Equip.			
51	791 Maintenance of Other Equipment			
52	Total Maintenance - Products Extraction			
53	TOTAL Products Extraction			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2010

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses - continued			
2				
3	Exploration & Development - Operation			
4	795 Delay Rentals			
5	796 Nonproductive Well Drilling		NOT	
6	797 Abandoned Leases		APPLICABLE	
7	798 Other Exploration			
8	TOTAL Exploration & Development			
9				
10	Other Gas Supply Expenses - Operation			
11	800 Natural Gas Wellhead Purchases			
12	800.1 Nat. Gas Wellhead Purch., Intracomp. Trans.			
13	801 Natural Gas Field Line Purchases			
14	802 Natural Gas Gasoline Plant Outlet Purchases			
15	803 Natural Gas Transmission Line Purchases			
16	804 Natural Gas City Gate Purchases	\$51,596,958	\$54,182,782	5.01%
17	805 Other Gas Purchases			
18	805.1 Purchased Gas Cost Adjustments	9,033,807	(2,548,511)	-128.21%
19	805.2 Incremental Gas Cost Adjustments			
20	806 Exchange Gas			
21	807.1 Well Expenses - Purchased Gas			
22	807.2 Operation of Purch. Gas Measuring Stations			
23	807.3 Maintenance of Purch. Gas Measuring Stations			
24	807.4 Purchased Gas Calculations Expenses			
25	807.5 Other Purchased Gas Expenses			
26	808.1 Gas Withdrawn from Storage -Dr.	12,615,075	11,166,035	-11.49%
27	808.2 (Less) Gas Delivered to Storage -Cr.	(15,890,802)	(11,661,945)	26.61%
28	809.2 (Less) Deliveries of Nat. Gas for Processing-Cr.			
29	810 (Less) Gas Used for Compressor Sta. Fuel-Cr.			
30	811 (Less) Gas Used for Products Extraction-Cr.			
31	812 (Less) Gas Used for Other Utility Operations-Cr.			
32	813 Other Gas Supply Expenses	70,111	89,297	27.37%
33	TOTAL Other Gas Supply Expenses	\$57,425,149	\$51,227,658	-10.79%
34				
35	TOTAL PRODUCTION EXPENSES	\$57,425,149	\$51,227,658	-10.79%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2010

Account Number & Title		Last Year	This Year	% Change
1	Storage, Terminaling & Processing Expenses			
2				
3	Underground Storage Expenses - Operation			
4	814 Operation Supervision & Engineering			
5	815 Maps & Records			
6	816 Wells Expenses			
7	817 Lines Expenses			
8	818 Compressor Station Expenses			
9	819 Compressor Station Fuel & Power		NOT	
10	820 Measuring & Reg. Station Expenses		APPLICABLE	
11	821 Purification Expenses			
12	822 Exploration & Development			
13	823 Gas Losses			
14	824 Other Expenses			
15	825 Storage Well Royalties			
16	826 Rents			
17	Total Operation - Underground Strg. Exp.			
18				
19	Underground Storage Expenses - Maintenance			
20	830 Maintenance Supervision & Engineering			
21	831 Maintenance of Structures & Improvements			
22	832 Maintenance of Reservoirs & Wells			
23	833 Maintenance of Lines			
24	834 Maintenance of Compressor Station Equip.		NOT	
25	835 Maintenance of Meas. & Reg. Sta. Equip.		APPLICABLE	
26	836 Maintenance of Purification Equipment			
27	837 Maintenance of Other Equipment			
28	Total Maintenance - Underground Storage			
29	TOTAL Underground Storage Expenses			
30				
31	Other Storage Expenses - Operation			
32	840 Operation Supervision & Engineering			
33	841 Operation Labor and Expenses			
34	842 Rents			
35	842.1 Fuel		NOT	
36	842.2 Power		APPLICABLE	
37	842.3 Gas Losses			
38	Total Operation - Other Storage Expenses			
39				
40	Other Storage Expenses - Maintenance			
41	843.1 Maintenance Supervision & Engineering			
42	843.2 Maintenance of Structures & Improvements			
43	843.3 Maintenance of Gas Holders			
44	843.4 Maintenance of Purification Equipment			
45	843.6 Maintenance of Vaporizing Equipment		NOT	
46	843.7 Maintenance of Compressor Equipment		APPLICABLE	
47	843.8 Maintenance of Measuring & Reg. Equipment			
48	843.9 Maintenance of Other Equipment			
49	Total Maintenance - Other Storage Exp.			
50	TOTAL - Other Storage Expenses			
51				
52	TOTAL - STORAGE, TERMINALING & PROC.			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2010

Account Number & Title		Last Year	This Year	% Change
1	Transmission Expenses			
2	Operation			
3	850 Operation Supervision & Engineering			
4	851 System Control & Load Dispatching			
5	852 Communications System Expenses			
6	853 Compressor Station Labor & Expenses			
7	854 Gas for Compressor Station Fuel		NOT	
8	855 Other Fuel & Power for Compressor Stations		APPLICABLE	
9	856 Mains Expenses			
10	857 Measuring & Regulating Station Expenses			
11	858 Transmission & Compression of Gas by Others			
12	859 Other Expenses			
13	860 Rents			
14	Total Operation - Transmission			
15	Maintenance			
16	861 Maintenance Supervision & Engineering			
17	862 Maintenance of Structures & Improvements			
18	863 Maintenance of Mains			
19	864 Maintenance of Compressor Station Equip.		NOT	
20	865 Maintenance of Measuring & Reg. Sta. Equip.		APPLICABLE	
21	866 Maintenance of Communication Equipment			
22	867 Maintenance of Other Equipment			
23	Total Maintenance - Transmission			
24	TOTAL Transmission Expenses			
25	Distribution Expenses			
26	Operation			
27	870 Operation Supervision & Engineering	\$392,079	\$471,700	20.31%
28	871 Distribution Load Dispatching	63,895	75,294	17.84%
29	872 Compressor Station Labor and Expenses			
30	873 Compressor Station Fuel and Power			
31	874 Mains and Services Expenses	1,046,324	1,143,489	9.29%
32	875 Measuring & Reg. Station Exp.-General	57,983	47,011	-18.92%
33	876 Measuring & Reg. Station Exp.-Industrial	15,508	9,177	-40.82%
34	877 Meas. & Reg. Station Exp.-City Gate Ck. Sta.	0	0	0.00%
35	878 Meter & House Regulator Expenses	343,353	391,269	13.96%
36	879 Customer Installations Expenses	507,304	517,434	2.00%
37	880 Other Expenses	932,102	851,664	-8.63%
38	881 Rents	39,277	34,763	-11.49%
39	Total Operation - Distribution	\$3,397,825	\$3,541,801	4.24%
40	Maintenance			
41	885 Maintenance Supervision & Engineering	\$98,657	\$115,484	17.06%
42	886 Maintenance of Structures & Improvements	2,562	1,394	-45.59%
43	887 Maintenance of Mains	95,168	141,425	48.61%
44	888 Maint. of Compressor Station Equipment			
45	889 Maint. of Meas. & Reg. Station Exp.-General	14,264	10,292	-27.85%
46	890 Maint. of Meas. & Reg. Sta. Exp.-Industrial	15,739	6,885	-56.26%
47	891 Maint. of Meas. & Reg. Sta. Equip.-City Gate			
48	892 Maintenance of Services	191,693	160,415	-16.32%
49	893 Maintenance of Meters & House Regulators	313,723	268,882	-14.29%
50	894 Maintenance of Other Equipment	116,222	105,407	-9.31%
51	Total Maintenance - Distribution	\$848,028	\$810,184	-4.46%
52	TOTAL Distribution Expenses	\$4,245,853	\$4,351,985	2.50%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2010

Account Number & Title		Last Year	This Year	% Change
1				
2	Customer Accounts Expenses			
3	Operation			
4	901 Supervision	\$155,762	\$118,807	-23.73%
5	902 Meter Reading Expenses	283,679	258,366	-8.92%
6	903 Customer Records & Collection Expenses	1,233,627	1,221,296	-1.00%
7	904 Uncollectible Accounts Expenses	258,714	147,990	-42.80%
8	905 Miscellaneous Customer Accounts Expenses	139,223	86,442	-37.91%
9				
10	TOTAL Customer Accounts Expenses	\$2,071,005	\$1,832,901	-11.50%
11				
12	Customer Service & Informational Expenses			
13	Operation			
14	907 Supervision	\$45,526	\$29,102	-36.08%
15	908 Customer Assistance Expenses	12,283	9,092	-25.98%
16	909 Informational & Instructional Advertising Exp.	13,276	17,436	31.33%
17	910 Miscellaneous Customer Service & Info. Exp.	63	166	163.49%
18				
19	TOTAL Customer Service & Info. Expenses	\$71,148	\$55,796	-21.58%
20				
21	Sales Expenses			
22	Operation			
23	911 Supervision	\$23,868	\$25,177	5.48%
24	912 Demonstrating & Selling Expenses	116,326	85,629	-26.39%
25	913 Advertising Expenses	10,749	10,630	-1.11%
26	916 Miscellaneous Sales Expenses	17,801	15,587	-12.44%
27				
28	TOTAL Sales Expenses	\$168,744	\$137,023	-18.80%
29				
30	Administrative & General Expenses			
31	Operation			
32	920 Administrative & General Salaries	\$1,030,154	\$975,671	-5.29%
33	921 Office Supplies & Expenses	545,775	485,811	-10.99%
34	922 (Less) Administrative Expenses Transferred - Cr.			
35	923 Outside Services Employed	104,229	75,401	-27.66%
36	924 Property Insurance	80,013	88,943	11.16%
37	925 Injuries & Damages	364,850	252,136	-30.89%
38	926 Employee Pensions & Benefits	1,493,062	1,212,733	-18.78%
39	927 Franchise Requirements			
40	928 Regulatory Commission Expenses	11,313	10,718	-5.26%
41	929 (Less) Duplicate Charges - Cr.			
42	930.1 General Advertising Expenses	14,529	17,712	21.91%
43	930.2 Miscellaneous General Expenses	58,899	49,863	-15.34%
44	931 Rents	46,359	128,362	176.89%
45				
46	TOTAL Operation - Admin. & General	\$3,749,183	\$3,297,350	-12.05%
47	Maintenance			
48	935 Maintenance of General Plant	\$126,038	\$112,926	-10.40%
49				
50	TOTAL Administrative & General Expenses	\$3,875,221	\$3,410,276	-12.00%
51	TOTAL OPERATION & MAINTENANCE EXP.	\$67,857,120	\$61,015,639	-10.08%

MONTANA TAXES OTHER THAN INCOME

Year: 2010

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes	\$406,772	\$480,741	18.18%
2	Secretary of State	178	276	55.06%
3	Highway Use Tax	207	203	-1.93%
4	Montana Consumer Counsel	54,733	34,647	-36.70%
5	Montana PSC	197,512	193,003	-2.28%
6	Delaware Franchise Taxes	19,241	17,913	-6.90%
7	Property Taxes	2,244,794	2,393,648	6.63%
8	Tribal Taxes	5,511	5,908	7.20%
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50	TOTAL MT Taxes other than Income	\$2,928,948	\$3,126,339	6.74%

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES - GAS

Year: 2010

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	Able Field Services	Plant Update & Repair	82,487		0.00%
2					
3	ACS Construction	Contractor Services	332,906		0.00%
4					
5	Aevenia Inc.	Transmission line maintenance	842,239		0.00%
6					
7	AFPI	Annual Report Preparation	124,458	1,772	1.42%
8					
9	Agri Industries	Contractor Serv. - Directional Drilling	154,663		0.00%
10					
11	American Gas Association	Industrial Membership	266,190	10,904	4.10%
12					
13	API Construction Co.	Contractor Serv. - Power Plant & Comm.	366,811	582	0.16%
14					
15	Aquilex HydroChem, Inc.	Contractor Services - Power Plant	111,278		0.00%
16					
17	Arvig Communications Sys	Gas Line Construction	128,532		0.00%
18					
19	Associated Legal Group, LLC	Legal Services	76,228	16	0.02%
20					
21	Atlantic Insulco Environmental	Contract Services - Environmental	298,516		0.00%
22					
23	B & B Foundation Service Inc.	Construction Services	547,458		0.00%
24					
25	Babcock & Wilcox	Contractor Services - Power Plant	872,022		0.00%
26					
27	Baker, Tilly, Virchow, Krause, LLP	Professional Audit Services	99,041	3,428	3.46%
28					
29	Barr Engineering Company	Engineering Services	158,953		0.00%
30					
31	Benco Equipment Co.	Vehicle Maintenance	235,581		0.00%
32					
33	Blue Heron Consulting	Consulting Services	1,474,856	243,681	16.52%
34					
35	Broadridge	Contract Services - Shareholder	136,973	1,946	1.42%
36					
37	Bullinger Tree Service	Tree Trimming	497,515	13	0.00%
38					
39	Butler Machinery Co	Equipment maintenance	229,444	18,404	8.02%
40					
41	Butzel Long	Legal Services	76,212	1,072	1.41%
42					
43	Central Trenching	Contractor Services - Trenching	188,899		0.00%
44					
45	Chief Construction	Construction Services	696,633		0.00%
46					
47	Cisco Systems Capital Corp	Software Maintenance	121,222	1,722	1.42%
48					
49	Cohen Tauber Spievack &	Legal Services	76,615	1,497	1.95%
50	Wagner, PC				

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES - GAS

Year: 2010

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	Compucom	Computer Services & Software Maint.	146,526	2,340	1.60%
2					
3	Concentric Energy Advisors, Inc.	Consulting Services	158,607		0.00%
4					
5	Connecting Point	Computer Services & Software Maint.	414,210	4,729	1.14%
6					
7	Cop Construction Co.	Construction Services - Billings Landfill	1,093,572	324,091	29.64%
8					
9	Dell Marketing L.P.	Software Maintenance	418,327	1,809	0.43%
10					
11	Deloitte & Touche LLP	Auditing & Consulting Services	2,172,854	17,133	0.79%
12					
13	Dewey & LeBoeuf	Legal Services	1,067,237	15,327	1.44%
14					
15	DMVW Railroad	Spur Maintenance	99,953		0.00%
16					
17	Edison Electric Institute	Industrial Membership - MDUR Adver.	93,735	155	0.17%
18					
19	Edling Electric Inc.	Contractor Services - GO Generator	399,304	19,752	4.95%
20					
21	Engineered Pump Services	Contractor Services - Plant Maintenance	104,820		0.00%
22					
23	Environmental Plant Services	Contract Services - Environmental	187,925		0.00%
24					
25	EP2M	Consulting Services	647,878	106,283	16.40%
26					
27	Fischer Contracting	Construction Services - Gas	287,576		0.00%
28					
29	Forrester, Gary	Lobbying and Promotion	98,558	1,519	1.54%
30					
31	Franz Construction, Inc.	Contractor Services - Power Plant	97,374		0.00%
32					
33	G E Energy Services	Contractor Services - Power Plant	515,570		0.00%
34					
35	GE International Inc.	Contractor Services	105,025		0.00%
36					
37	G E International Inc.	Contractor Services	156,918		0.00%
38					
39	H. A. Thompson & Sons, Inc.	Contractor Services - Mechanical	206,394	22,165	10.74%
40					
41	Hardy Construction	Contractor Services - Billings Landfill	1,787,796	540,844	30.25%
42					
43	HDR Engineering Inc.	Engineering Services	274,762		0.00%
44					
45	Highmark, Inc.	Construction Services	2,148,963	661	0.03%
46					
47	Impact Mechanical, Inc.	Contractor Services - Power Plant	152,413		0.00%
48					
49	Industrial Contractors, Inc.	Contractor Services - Power Plant	1,095,141		0.00%
50					

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES - GAS

Year: 2010

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	Infrasource Construction, LLC	Underground Gas Line Installation	3,269,671		0.00%
2					
3	Intermountain Tree Expert Co	Tree Trimming Service	106,013		0.00%
4					
5	International Business Mach.	Contractor Services - Computer Maint.	219,888	8,501	3.87%
6					
7	Itron Inc	Contractor Services & Software Maint	144,482	31,207	21.60%
8					
9	Kappel tree Service LLC	Tree Trimming Service	108,540		0.00%
10					
11	LFG Technologies Develop., LLC	Contractor Services - Billings Landfill	3,274,719	143,667	4.39%
12					
13	LRN Corporation	Training Services	75,824	1,618	2.13%
14					
15	M C M General Contractors, Inc.	Construction Services - Gas	511,387		0.00%
16					
17	McDermott, Will & Emery, LLP	Legal Services	106,865	2,575	2.41%
18					
19	Microsoft Licensing GP	Software Maintenance	725,847	10,218	1.41%
20					
21	Midwest ISO	Contractor Services	100,600		0.00%
22					
23	Missouri River Contracting	Contractor Services - Substations	87,045		0.00%
24					
25	Moody's Investors Service	Financial Services	147,900	5,132	3.47%
26					
27	Moorhead Machinery & Boiler	Contractor Services - Power Plant	1,176,562		0.00%
28					
29	Morgan, Lewis & Bockius LLP	Legal Services	156,745	2,219	1.42%
30					
31	Nance, Robert L	Deferred Director Payments	152,046	2,219	1.46%
32					
33	New York Life	Consulting Services	422,211	972	0.23%
34					
35	Northern Natural Gas Line	Construction Services - Gas	270,507		0.00%
36					
37	NYSE Market Inc	Financial Services	188,204	2,673	1.42%
38					
39	Olson, John L	Deferred Director Payments	79,866	1,170	1.46%
40					
41	One Call Locators LTD	Line Location Services	920,776	260,295	28.27%
42					
43	Oracle Corp	Software Maintenance	1,475,368	72,115	4.89%
44					
45	Ormat Nevada Inc	Install Energy Converter	219,382		0.00%
46					
47	Otis Elevator Company	Elevator Service	78,000	5,970	7.65%
48					
49	Pearce, Harry J	Active Director Payments	130,000	1,896	1.46%
50					

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES - GAS

Year: 2010

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	Power Generation Service Inc.	Contractor Services - Power Plants	666,645		0.00%
2					
3	Presort Plus Inc.	Contractor Services - Mail	87,977	11,144	12.67%
4					
5	Progressive Maintenance	Custodial Service	134,497	11,552	8.59%
6					
7	Prosource Technologies Inc.	Contract Services - Environmental	81,174		0.00%
8					
9	PSC Industrial Outsourcing Inc.	Contractor Services - Power Plant	449,213		0.00%
10					
11	Q3 Contracting	Construction Services	91,210		0.00%
12					
13	R & K Contractors Inc.	Contractor Services - District Office	80,646		0.00%
14					
15	RDO Equipment	Equipment Maintenance	103,829		0.00%
16					
17	Rocky Mountain Contractors	Contractor Services	551,349	80,233	14.55%
18					
19	Rocky Mountain Line	Construction Services	385,427		0.00%
20					
21	Sand Creek Corporation	Construction Services - Switching Stat.	126,792		0.00%
22					
23	Southern Cross Corp	Construction Services - Gas	162,416	37,380	23.01%
24					
25	Spherion Corporation	Temp Service	95,104	512	0.54%
26					
27	Standard & Poor's	Financial Services	140,824	1,720	1.22%
28					
29	State- Line Contractors	Construction Services - Gas	124,128	104,212	83.96%
30					
31	Structural Integrity Associates	Contractor Services - Power Plant	144,000		0.00%
32					
33	T&K Inspection, Inc.	Construction Services	119,822		0.00%
34					
35	Telvent USA, Inc.	Software Development	78,284	6,345	8.11%
36					
37	Terra Engineering & Const, Corp	Construction Services - Billings Landfill	448,062	129,568	28.92%
38					
39	Timberline Construction Inc.	Contractor Services - Transmission Lines	1,098,954		0.00%
40					
41	Total Corrosion Solutions Inc.	Contractor Services	120,338	2,204	1.83%
42					
43	Treasury Management Services	Banking Services	272,537	42,427	15.57%
44					
45	Ulmer Tree Services	Tree Trimming Service	201,712		0.00%
46					
47	Ulteig Engineers Inc.	Engineering Services	80,488		0.00%
48					
49	Van Horn Media	Advertising	127,167	9,250	7.27%
50					

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES - GAS

Year: 2010

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	Van Ness Feldman PC	Legal Services	151,195	1	0.00%
2					
3	Ventyx Energy, LLC	Software Maintenance	159,541	27,162	17.03%
4					
5	Virtual Hold Technology, LLC	Software Maintenance	75,744	4,537	5.99%
6					
7	Wanzek Construction	Contractor Services	6,215,930		0.00%
8					
9	Websence, Inc.	Software Maintenance	113,223	2,440	2.16%
10					
11	Weisz & Sons Inc.	Contractor Services	477,259		0.00%
12					
13	Wells Fargo Shareowners Serv.	Stock Transfer Agent	305,808		0.00%
14					
15	Wenck	Contractor Service - Billings Landfill	403,700	116,739	28.92%
16					
17	Western Union Financial Serv	Financial Services	127,075	27,507	21.65%
18					
19	Workforce Services, Inc.	Vehicle Maintenance	137,410	750	0.55%
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51	TOTAL Payments for Services		50,415,092	2,509,977	4.98%

POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS Year: 2010

	Description	Total Company	Montana	% Montana
1	Contributions to Candidates by PAC	\$80,538	\$4,030	5.00%
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43	TOTAL Contributions	\$80,538	\$4,030	5.00%

Pension Costs

Year: 2010

1	Plan Name MDU Resources Group, Inc. Master Pension Plan Trust			
2	Defined Benefit Plan? Yes		Defined Contribution Plan? No	
3	Actuarial Cost Method? Traditional Unit Credit		IRS Code: 1A	
4	Annual Contribution by Employer: 3,871,657		Is the Plan Over Funded? No	
5				
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation	(000's)	(000's)	
7	Benefit obligation at beginning of year	\$209,621	\$213,539	-1.83%
8	Service cost	1,826	5,036	-63.74%
9	Interest cost	11,745	13,169	-10.81%
10	Plan participants' contributions	-	-	0.00%
11	Amendments	-	-	0.00%
12	Actuarial (Gain) Loss	20,971	17,651	18.81%
13	Curtailment gain	-	(24,085)	N/A
14	Benefits paid	(13,892)	(15,689)	11.45%
15	Benefit obligation at end of year	\$230,271	\$209,621	9.85%
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year	\$152,426	\$134,645	13.21%
18	Actual return on plan assets	22,446	24,853	-9.68%
19	Interplan transfer (1)	-	270	N/A
20	Employer contribution	3,872	8,347	-53.61%
21	Plan participants' contributions	-	-	0.00%
22	Benefits paid	(13,892)	(15,689)	11.45%
23	Fair value of plan assets at end of year	\$164,852	\$152,426	8.15%
24	Funded Status	(\$65,419)	(\$57,195)	-14.38%
25	Unrecognized net actuarial loss	-	-	0.00%
26	Unrecognized prior service cost	-	-	0.00%
27	Unrecognized net transition obligation	-	-	0.00%
28	Accrued benefit cost	(\$65,419)	(\$57,195)	-14.38%
29				
30	Weighted-Average Assumptions as of Year End			
31	Discount rate	5.26	5.75	-8.52%
32	Expected return on plan assets	7.75	8.25	-6.06%
33	Rate of compensation increase	4.00	4.00	0.00%
34				
35	Components of Net Periodic Benefit Costs			
36	Service cost	\$1,826	\$5,036	-63.74%
37	Interest cost	11,745	13,169	-10.81%
38	Expected return on plan assets	(14,414)	(15,429)	6.58%
39	Amortization of prior service cost	265	604	-56.13%
40	Recognized net actuarial gain	573	236	142.80%
41	Curtailment loss	-	1,143	N/A
42	Net periodic benefit cost	(\$5)	\$4,759	-100.11%
43				
44	Montana Intrastate Costs:			
45	Pension costs	(\$5)	\$4,759	-100.11%
46	Pension costs capitalized	137	656	-79.12%
47	Accumulated pension asset (liability) at year end	(\$65,419)	(\$57,195)	-14.38%
48	Number of Company Employees:			
49	Covered by the plan	1,818	1,883	-3.45%
50	Not covered by the plan	436	252	73.02%
51	Active	762	889	-14.29%
52	Retired	964	931	3.54%
53	Deferred vested terminated	92	63	46.03%

(1) The company transferred assets between plans for employees that moved to a different MDU Resources Group, Inc. sponsored plan.

Other Post Employment Benefits (OPEBS)

Year: 2010

	Item	Current Year	Last Year	% Change
1	Regulatory Treatment:			
2	Commission authorized - most recent			
3	Docket number:			
4	Order numbers:			
5	Amount recovered through rates -			
6	Weighted-Average Assumptions as of Year End			
7	Discount rate	5.20	5.75	-9.57%
8	Expected return on plan assets	6.75	7.25	-6.90%
9	Medical cost inflation rate	6.00	6.00	0.00%
10	Actuarial cost method	Projected unit credit	Projected unit credit	
11	Rate of compensation increase	N/A	N/A	
12	List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:			
13	VEBA			
14	Describe any Changes to the Benefit Plan:			
15				
16				
	TOTAL COMPANY			
17	Change in Benefit Obligation	(000's)	(000's)	
18	Benefit obligation at beginning of year	\$44,848	\$50,698	-11.54%
19	Service cost	680	1,106	-38.52%
20	Interest cost	2,412	2,838	-15.01%
21	Plan participants' contributions	1,645	1,526	7.80%
22	Amendments	-	(5,439)	N/A
23	Actuarial (Gain) Loss	667	(1,618)	141.22%
24	Acquisition	-	-	0.00%
25	Benefits paid	(4,705)	(4,263)	-10.37%
26	Benefit obligation at end of year	\$45,547	\$44,848	1.56%
27	Change in Plan Assets			
28	Fair value of plan assets at beginning of year	\$37,973	\$35,466	7.07%
29	Actual return on plan assets	4,079	3,411	19.58%
30	Acquisition	-	-	0.00%
31	Employer contribution	1,191	1,833	-35.02%
32	Plan participants' contributions	1,645	1,526	7.80%
33	Benefits paid	(4,705)	(4,263)	-10.37%
34	Fair value of plan assets at end of year	\$40,183	\$37,973	5.82%
35	Funded Status	(\$5,364)	(\$6,875)	21.98%
36	Unrecognized net actuarial loss	-	-	0.00%
37	Unrecognized prior service cost	-	-	0.00%
38	Unrecognized transition obligation	-	-	0.00%
39	Accrued benefit cost	(\$5,364)	(\$6,875)	21.98%
40	Components of Net Periodic Benefit Costs			
41	Service cost	\$680	\$1,106	-38.52%
42	Interest cost	2,412	2,838	-15.01%
43	Expected return on plan assets	(3,302)	(3,565)	7.38%
44	Amortization of prior service cost	(295)	36	-919.44%
45	Recognized net actuarial gain	-	(198)	N/A
46	Transition amount amortization	1,664	1,678	-0.83%
47	Net periodic benefit cost	\$1,159	\$1,895	-38.84%
48	Accumulated Post Retirement Benefit Obligation			
49	Amount funded through VEBA	\$2,836	\$3,359	-15.57%
50	Amount funded through 401(h)			
51	Amount funded through Other _____			
52	TOTAL	\$2,836	\$3,359	-15.57%
53	Amount that was tax deductible - VEBA	\$1,191 (1)	\$1,833	-35.02%
54	Amount that was tax deductible - 401(h)			
55	Amount that was tax deductible - Other _____			
56	TOTAL	\$1,191	\$1,833	-35.02%

Other Post Employment Benefits (OPEBS) Continued

Year: 2010

	Item	Current Year	Last Year	% Change
1	Number of Company Employees:			
2	Covered by the plan	1,801	1,783	1.01%
3	Not covered by the plan	36	37	-2.70%
4	Active	1,010	1,029	-1.85%
5	Retired	643	607	5.93%
6	Spouses/dependants covered by the plan	148	142	4.23%
7	Montana			
8	Change in Benefit Obligation			
9	Benefit obligation at beginning of year			
10	Service cost	NOT APPLICABLE		
11	Interest cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	Change in Plan Assets			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition	NOT APPLICABLE		
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	Funded Status			
27	Unrecognized net actuarial loss	NOT APPLICABLE		
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	Components of Net Periodic Benefit Costs			
31	Service cost			
32	Interest cost	NOT APPLICABLE		
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	Accumulated Post Retirement Benefit Obligation			
38	Amount funded through VEBA			
39	Amount funded through 401(h)	NOT APPLICABLE		
40	Amount funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	Montana Intrastate Costs:			
47	Pension costs	NOT APPLICABLE		
48	Pension costs capitalized			
49	Accumulated pension asset (liability) at year end			
50	Number of Montana Employees:			
51	Covered by the plan			
52	Not covered by the plan	NOT APPLICABLE		
53	Active			
54	Retired			
55	Spouses/dependants covered by the plan			

TOP TEN MONTANA COMPENSATED EMPLOYEES (ASSIGNED OR ALLOCATED)

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1							
2							
3							
4							
5	<p>The Commission has declared, by administrative rule, that some of Montana-Dakota's employees no longer have the right to maintain the privacy of their salary information (ARM 38.2.5031). Montana-Dakota has been advised by its legal counsel that the existence of that administrative rule effectively prohibits it from providing such information to the Commission on a voluntary basis, and that the Commission will need to institute proceedings to compel the disclosure of the requested salary information.</p>						
6							
7							
8							
9							
10							

COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION 1/

Line No.	Name/Title	Base Salary	Bonuses	Other 2/	Total Compensation	Total Compensation Last Year 2/	% Increase Total Compensation
1	Terry D. Hildestad - President & CEO	\$750,000	\$762,750	\$1,348,168	\$2,860,918	\$4,203,004	-32%
2	Vernon A. Raile 3/ Executive Vice President, Treasurer and CFO	57,945	0	101,128	159,073	2,140,718	-93%
3	Doran N. Schwartz Vice President and CFO	252,454	127,053	248,732	628,239	547,492	15%
4	John G. Harp - President & CEO of MDU Construction Services Group, Inc.	450,000	438,750	655,325	1,544,075	2,029,859	-24%
5	Steven L. Bietz President & CEO of WBI Holdings, Inc.	350,000	245,245	571,510	1,166,755	1,597,506	-27%
6	David L. Goodin President and CEO of Combined Utility Group	322,000	320,438	493,467	1,135,905	1,161,262	-2%

1/ See Page 20a for Total Compensation detail.

2/ Amounts represent the aggregate grant date fair value of the performance share awards calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 - Share Based Payment.

3/ Retired effective February 16, 2010.

BALANCE SHEET

Year: 2010

	Account Number & Title	Last Year	This Year	% Change
1	Assets and Other Debits			
2	Utility Plant			
3	101 Gas Plant in Service	\$292,952,199	\$316,055,894	7.89%
4	101.1 Property Under Capital Leases			
5	102 Gas Plant Purchased or Sold			
6	104 Gas Plant Leased to Others			
7	105 Gas Plant Held for Future Use			
8	105.1 Production Properties Held for Future Use			
9	106 Completed Constr. Not Classified - Gas			
10	107 Construction Work in Progress - Gas	4,741,057	3,300,246	-30.39%
11	108 (Less) Accumulated Depreciation	(171,361,313)	(177,243,810)	3.43%
12	111 (Less) Accumulated Amortization & Depletion	(1,089,620)	(1,202,954)	10.40%
13	114 Gas Plant Acquisition Adjustments	97,266	97,266	0.00%
14	115 (Less) Accum. Amort. Gas Plant Acq. Adj.	(46,753)	(49,572)	6.03%
15	116 Other Gas Plant Adjustments			
16	117 Gas Stored Underground - Noncurrent	3,865,481	3,560,347	-7.89%
17	118 Other Utility Plant	975,345,216	1,064,505,411	9.14%
18	119 Accum. Depr. and Amort. - Other Utl. Plant	(473,668,639)	(495,246,117)	4.56%
19	TOTAL Utility Plant	\$630,834,894	\$713,776,711	13.15%
20	Other Property & Investments			
21	121 Nonutility Property	\$4,065,076	\$4,168,474	2.54%
22	122 (Less) Accum. Depr. & Amort. of Nonutil. Prop.	(1,207,227)	(1,311,967)	8.68%
23	123 Investments in Associated Companies			
24	123.1 Investments in Subsidiary Companies	2,240,332,380	2,336,133,125	4.28%
25	124 Other Investments	41,701,031	48,037,819	15.20%
26	125 Sinking Funds			
27	TOTAL Other Property & Investments	\$2,284,891,260	\$2,387,027,451	4.47%
28	Current & Accrued Assets			
29	131 Cash	\$5,039,802	\$6,238,148	23.78%
30	132-134 Special Deposits	1,200	1,200	0.00%
31	135 Working Funds	63,569	36,865	-42.01%
32	136 Temporary Cash Investments	25,000,000	0	-100.00%
33	141 Notes Receivable			
34	142 Customer Accounts Receivable	26,120,425	29,395,116	12.54%
35	143 Other Accounts Receivable	3,182,572	4,363,648	37.11%
36	144 (Less) Accum. Provision for Uncollectible Accts.	(233,779)	(231,003)	-1.19%
37	145 Notes Receivable - Associated Companies			
38	146 Accounts Receivable - Associated Companies	33,121,406	27,836,855	-15.96%
39	151 Fuel Stock	4,613,409	5,029,867	9.03%
40	152 Fuel Stock Expenses Undistributed			
41	153 Residuals and Extracted Products			
42	154 Plant Materials and Operating Supplies	9,812,475	10,139,125	3.33%
43	155 Merchandise	974,586	876,220	-10.09%
44	156 Other Material & Supplies			
45	163 Stores Expense Undistributed	(1,699)	(639)	62.39%
46	164.1 Gas Stored Underground - Current	17,640,699	18,538,439	5.09%
47	165 Prepayments	4,950,903	4,438,120	-10.36%
48	166 Advances for Gas Explor., Devl. & Production			
49	171 Interest & Dividends Receivable	139	0	-100.00%
50	172 Rents Receivable			
51	173 Accrued Utility Revenues	35,878,909	37,326,027	4.03%
52	174 Miscellaneous Current & Accrued Assets			
53	TOTAL Current & Accrued Assets	\$166,164,616	\$143,987,988	-13.35%

BALANCE SHEET

Year: 2010

	Account Number & Title	Last Year	This Year	% Change
1	Assets and Other Debits (cont.)			
2				
3	Deferred Debits			
4				
5	181 Unamortized Debt Expense	\$1,217,947	\$1,126,622	-7.50%
6	182.1 Extraordinary Property Losses			
7	182.2 Unrecovered Plant & Regulatory Study Costs	0	7,564,400	100.00%
8	182.3 Other Regulatory Assets	80,661,452	86,467,267	7.20%
9	183 Prelim. Electric Survey & Investigation Chrg.	283,502	321,479	13.40%
10	183.1 Prelim. Nat. Gas Survey & Investigation Chrg.			
11	183.2 Other Prelim. Nat. Gas Survey & Invtg. Chrgs.			
12	184 Clearing Accounts	(232,048)	109,955	-147.38%
13	185 Temporary Facilities			
14	186 Miscellaneous Deferred Debits	22,623,810	25,010,265	10.55%
15	187 Deferred Losses from Disposition of Util. Plant			
16	188 Research, Devel. & Demonstration Expend.			
17	189 Unamortized Loss on Reacquired Debt	10,285,123	9,565,612	-7.00%
18	190 Accumulated Deferred Income Taxes	55,095,783	59,053,683	7.18%
19	191 Unrecovered Purchased Gas Costs	(9,339,438)	2,110,509	-122.60%
20	192.1 Unrecovered Incremental Gas Costs			
21	192.2 Unrecovered Incremental Surcharges			
22	TOTAL Deferred Debits	\$160,596,131	\$191,329,792	19.14%
23				
24	TOTAL ASSETS & OTHER DEBITS	\$3,242,486,901	\$3,436,121,942	5.97%
	Account Number & Title	Last Year	This Year	% Change
25	Liabilities and Other Credits			
26				
27	Proprietary Capital			
28				
29	201 Common Stock Issued	\$188,389,265	\$188,901,379	0.27%
30	202 Common Stock Subscribed			
31	204 Preferred Stock Issued	15,000,000	15,000,000	0.00%
32	205 Preferred Stock Subscribed			
33	207 Premium on Capital Stock	1,019,788,138	1,030,458,868	1.05%
34	211 Miscellaneous Paid-In Capital			
35	213 (Less) Discount on Capital Stock			
36	214 (Less) Capital Stock Expense	(4,110,305)	(4,110,305)	0.00%
37	216 Appropriated Retained Earnings	472,482,478	492,507,658	4.24%
38	216.1 Unappropriated Retained Earnings	904,556,156	1,004,931,088	11.10%
39	217 (Less) Reacquired Capital Stock	(3,625,813)	(3,625,813)	0.00%
40	219 Accumulated Other Comprehensive Income	(20,832,825)	(31,261,155)	-50.06%
41	TOTAL Proprietary Capital	\$2,571,647,094	\$2,692,801,720	4.71%
42				
43	Long Term Debt			
44				
45	221 Bonds	\$280,000,000	\$280,000,000	0.00%
46	222 (Less) Reacquired Bonds			
47	223 Advances from Associated Companies			
48	224 Other Long Term Debt	1,102,591	995,927	-9.67%
49	225 Unamortized Premium on Long Term Debt			
50	226 (Less) Unamort. Discount on Long Term Debt-Dr.			
51	TOTAL Long Term Debt	\$281,102,591	\$280,995,927	-0.04%

BALANCE SHEET

Year: 2010

	Account Number & Title	Last Year	This Year	% Change
1				
2	Total Liabilities and Other Credits (cont.)			
3				
4	Other Noncurrent Liabilities			
5				
6	227 Obligations Under Cap. Leases - Noncurrent			
7	228.1 Accumulated Provision for Property Insurance			
8	228.2 Accumulated Provision for Injuries & Damages	\$1,486,612	\$936,497	-37.00%
9	228.3 Accumulated Provision for Pensions & Benefits	54,313,944	54,957,735	1.19%
10	228.4 Accumulated Misc. Operating Provisions			
11	229 Accumulated Provision for Rate Refunds			
12	230 Asset Retirement Obligations	3,302,103	6,314,471	91.23%
13	TOTAL Other Noncurrent Liabilities	\$59,102,659	\$62,208,703	5.26%
14				
15	Current & Accrued Liabilities			
16				
17	231 Notes Payable	\$0	\$20,000,000	100.00%
18	232 Accounts Payable	30,573,900	34,271,793	12.09%
19	233 Notes Payable to Associated Companies			
20	234 Accounts Payable to Associated Companies	5,802,650	9,445,305	62.78%
21	235 Customer Deposits	2,239,734	2,019,003	-9.86%
22	236 Taxes Accrued	14,803,275	5,133,221	-65.32%
23	237 Interest Accrued	5,058,554	4,928,786	-2.57%
24	238 Dividends Declared	29,748,761	30,772,550	3.44%
25	239 Matured Long Term Debt			
26	240 Matured Interest			
27	241 Tax Collections Payable	1,986,880	1,963,158	-1.19%
28	242 Miscellaneous Current & Accrued Liabilities	24,937,206	23,267,497	-6.70%
29	243 Obligations Under Capital Leases - Current			
30	TOTAL Current & Accrued Liabilities	\$115,150,960	\$131,801,313	14.46%
31				
32	Deferred Credits			
33				
34	252 Customer Advances for Construction	\$5,924,550	\$7,133,209	20.40%
35	253 Other Deferred Credits	81,150,481	88,934,756	9.59%
36	254 Other Regulatory Liabilities	8,593,585	8,088,640	-5.88%
37	255 Accumulated Deferred Investment Tax Credits	162,069	797,879	392.31%
38	256 Deferred Gains from Disposition Of Util. Plant			
39	257 Unamortized Gain on Reacquired Debt			
40	281-283 Accumulated Deferred Income Taxes	119,652,912	163,359,795	36.53%
41	TOTAL Deferred Credits	\$215,483,597	\$268,314,279	24.52%
42				
43	TOTAL LIABILITIES & OTHER CREDITS	\$3,242,486,901	\$3,436,121,942	5.97%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2010

	Account Number & Title	Last Year	This Year	% Change
1	Intangible Plant			
2				
3	301 Organization			
4	302 Franchises & Consents			
5	303 Miscellaneous Intangible Plant	\$2,896,441	\$2,753,557	-4.93%
6				
7	TOTAL Intangible Plant	\$2,896,441	\$2,753,557	-4.93%
8				
9	Production Plant			
10				
11	Production & Gathering Plant			
12				
13	325.1 Producing Lands			
14	325.2 Producing Leaseholds			
15	325.3 Gas Rights			
16	325.4 Rights-of-Way			
17	325.5 Other Land & Land Rights			
18	326 Gas Well Structures			
19	327 Field Compressor Station Structures			
20	328 Field Meas. & Reg. Station Structures			
21	329 Other Structures			
22	330 Producing Gas Wells-Well Construction			
23	331 Producing Gas Wells-Well Equipment			
24	332 Field Lines			
25	333 Field Compressor Station Equipment	\$0	\$2,972,781	
26	334 Field Meas. & Reg. Station Equipment			
27	335 Drilling & Cleaning Equipment			
28	336 Purification Equipment			
29	337 Other Equipment			
30	338 Unsuccessful Exploration & Dev. Costs			
31				
32	Total Production & Gathering Plant	\$0	\$2,972,781	
33				
34	Products Extraction Plant			
35				
36	340 Land & Land Rights			
37	341 Structures & Improvements			
38	342 Extraction & Refining Equipment			
39	343 Pipe Lines			
40	344 Extracted Products Storage Equipment			
41	345 Compressor Equipment			
42	346 Gas Measuring & Regulating Equipment			
43	347 Other Equipment			
44				
45	Total Products Extraction Plant		NOT APPLICABLE	
46				
47	TOTAL Production Plant			

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2010

	Account Number & Title	Last Year	This Year	% Change
1				
2	Natural Gas Storage and Processing Plant			
3				
4	Underground Storage Plant			
5				
6	350.1 Land			
7	350.2 Rights-of-Way			
8	351 Structures & Improvements			
9	352 Wells			
10	352.1 Storage Leaseholds & Rights			
11	352.2 Reservoirs			
12	352.3 Non-Recoverable Natural Gas			
13	353 Lines			
14	354 Compressor Station Equipment			
15	355 Measuring & Regulating Equipment			
16	356 Purification Equipment			
17	357 Other Equipment			
18				
19	Total Underground Storage Plant			
20				
21	Other Storage Plant			
22				
23	360 Land & Land Rights			
24	361 Structures & Improvements			
25	362 Gas Holders			
26	363 Purification Equipment			
27	363.1 Liquification Equipment			
28	363.2 Vaporizing Equipment			
29	363.3 Compressor Equipment			
30	363.4 Measuring & Regulating Equipment			
31	363.5 Other Equipment			
32				
33	Total Other Storage Plant			
34				
35	TOTAL Natural Gas Storage and Processing Plant			
36				
37	Transmission Plant			
38				
39	365.1 Land & Land Rights			
40	365.2 Rights-of-Way			
41	366 Structures & Improvements			
42	367 Mains			
43	368 Compressor Station Equipment			
44	369 Measuring & Reg. Station Equipment			
45	370 Communication Equipment			
46	371 Other Equipment			
47				
48	TOTAL Transmission Plant			

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2010

	Account Number & Title	Last Year	This Year	% Change
1				
2	Distribution Plant			
3				
4	374 Land & Land Rights	\$37,059	\$38,808	4.72%
5	375 Structures & Improvements	195,164	195,164	0.00%
6	376 Mains	27,961,133	28,343,409	1.37%
7	377 Compressor Station Equipment			
8	378 Meas. & Reg. Station Equipment-General	575,341	575,341	0.00%
9	379 Meas. & Reg. Station Equipment-City Gate	128,221	128,221	0.00%
10	380 Services	18,604,465	19,708,913	5.94%
11	381 Meters	17,323,923	17,741,728	2.41%
12	382 Meter Installations			
13	383 House Regulators	1,822,687	1,908,710	4.72%
14	384 House Regulator Installations			
15	385 Industrial Meas. & Reg. Station Equipment	187,824	187,825	0.00%
16	386 Other Prop. on Customers' Premises 1/	148,674	148,674	0.00%
17	387 Other Equipment	1,025,230	1,128,322	10.06%
18				
19	TOTAL Distribution Plant	\$68,009,721	\$70,105,115	3.08%
20				
21	General Plant			
22				
23	389 Land & Land Rights	\$7,131	\$7,131	0.00%
24	390 Structures & Improvements	449,416	449,416	0.00%
25	391 Office Furniture & Equipment	228,799	113,320	-50.47%
26	392 Transportation Equipment	2,196,993	2,297,976	4.60%
27	393 Stores Equipment	43,786	43,786	0.00%
28	394 Tools, Shop & Garage Equipment	779,752	836,041	7.22%
29	395 Laboratory Equipment	37,139	37,072	-0.18%
30	396 Power Operated Equipment	1,773,883	1,719,060	-3.09%
31	397 Communication Equipment	297,789	434,804	46.01%
32	398 Miscellaneous Equipment	15,111	15,112	0.01%
33	399 Other Tangible Property			
34				
35	TOTAL General Plant	\$5,829,799	\$5,953,718	2.13%
36				
37	Common Plant			
38				
39	389 Land & Land Rights	\$947,842	\$952,893	0.53%
40	390 Structures & Improvements	6,911,414	7,115,215	2.95%
41	391 Office Furniture & Equipment	946,105	829,861	-12.29%
42	392 Transportation Equipment	893,920	1,016,316	13.69%
43	393 Stores Equipment	10,924	10,796	-1.17%
44	394 Tools, Shop & Garage Equipment	204,773	157,383	-23.14%
45	396 Power Operated Equipment	6,680	6,458	-3.32%
46	397 Communication Equipment	443,150	424,299	-4.25%
47	398 Miscellaneous Equipment	123,857	125,964	1.70%
48				
49	TOTAL Common Plant	\$10,488,665	\$10,639,185	1.44%
50				
51	TOTAL Gas Plant in Service	\$87,224,626	\$92,424,356	5.96%

1/ Includes gas plant leased to others.

MONTANA DEPRECIATION SUMMARY

Year: 2010

	Functional Plant Classification	Plant Cost	Accumulated Depreciation		Current Avg. Rate
			Last Year Bal.	This Year Bal.	
1	Production & Gathering	\$2,972,781	\$0	\$0	0.00%
2	Products Extraction				
3	Underground Storage				
4	Other Storage				
5	Transmission				
6	Distribution	70,105,115	40,150,025	42,010,598	3.24%
7	General	6,009,833	3,525,339	3,337,813	1.84%
8	Common	13,336,627	4,834,617	4,948,159	3.24%
9	TOTAL	\$92,424,356	\$48,509,981	\$50,296,570	3.05%

MONTANA MATERIALS & SUPPLIES (ASSIGNED & ALLOCATED)

SCHEDULE 21

	Account	Last Year Bal.	This Year Bal.	%Change
1				
2	151 Fuel Stock			
3	152 Fuel Stock Expenses - Undistributed			
4	153 Residuals & Extracted Products			
5	154 Plant Materials & Operating Supplies:			
6	Assigned to Construction (Estimated)			
7	Assigned to Operations & Maintenance			
8	Production Plant (Estimated)			
9	Transmission Plant (Estimated)			
10	Distribution Plant (Estimated)	\$521,197	\$508,979	-2.34%
11	Assigned to Other			
12	155 Merchandise			
13	156 Other Materials & Supplies			
14	163 Stores Expense Undistributed			
15				
16	TOTAL Materials & Supplies	\$521,197	\$508,979	-2.34%

MONTANA REGULATORY CAPITAL STRUCTURE & COSTS

SCHEDULE 22

	Commission Accepted - Most Recent	% Cap. Str.	% Cost Rate	Weighted Cost
1	Docket Number <u>D95.7.90</u>			
2	Order Number <u>5856b</u>			
3				
4	Common Equity	44.810%	12.000%	5.377%
5	Preferred Stock	1.810%	4.653%	0.084%
6	Long Term Debt	53.390%	10.212%	5.452%
7				
8	TOTAL			10.913%
9				
10	<u>Actual at Year End</u>			
11				
12	Common Equity	53.246%	12.000%	6.390%
13	Preferred Stock	2.415%	4.590%	0.111%
14	Long Term Debt	43.713%	6.845%	2.992%
15	Short Term Debt	0.626%	5.427%	0.034%
16	TOTAL	100.000%		9.527%

STATEMENT OF CASH FLOWS

Year: 2010

	Description	Last Year	This Year	% Change
1	Increase/(decrease) in Cash & Cash Equivalents:			
2				
3	Cash Flows from Operating Activities:			
4	Net Income	(\$123,274,095)	\$240,659,282	295.22%
5	Depreciation	35,082,590	37,619,293	7.23%
6	Amortization	(319,003)	810,836	354.18%
7	Deferred Income Taxes - Net	8,387,646	39,748,983	373.90%
8	Investment Tax Credit Adjustments - Net	(199,265)	635,810	419.08%
9	Change in Operating Receivables - Net	(3,724,383)	826,147	122.18%
10	Change in Materials, Supplies & Inventories - Net	(8,443,567)	(1,543,542)	81.72%
11	Change in Operating Payables & Accrued Liabilities - Net	13,052,368	(3,349,647)	-125.66%
12	Change in Other Regulatory Assets	7,104,393	(13,370,215)	-288.20%
13	Change in Other Regulatory Liabilities	200,390	2,507,423	1151.27%
14	Allowance for Other Funds Used During Construction (AFUDC)	(5,557,565)	(4,268,299)	23.20%
15	Change in Other Assets & Liabilities - Net	45,568,156	(9,039,509)	-119.84%
16	Less Undistributed Earnings from Subsidiary Companies	255,489,860	(100,425,856)	-139.31%
17	Other Operating Activities (explained on attached page)			
18	Net Cash Provided by/(Used in) Operating Activities	\$223,367,525	\$190,810,706	-14.58%
19				
20	Cash Inflows/Outflows From Investment Activities:			
21	Construction/Acquisition of Property, Plant and Equipment (net of AFUDC & Capital Lease Related Acquisitions)	(\$125,809,740)	(\$111,818,428)	11.12%
22	Acquisition of Other Noncurrent Assets	(6,588,982)	(6,336,788)	3.83%
23	Proceeds from Disposal of Noncurrent Assets			
24	Investments In and Advances to Affiliates			
25	Contributions and Advances from Affiliates	22,915,660	(1,636,385)	-107.14%
26	Disposition of Investments in and Advances to Affiliates			
27	Other Investing Activities: Depreciation & RWIP on Nonutility Plant	136,225	172,190	26.40%
28				
29	Net Cash Provided by/(Used in) Investing Activities	(\$109,346,837)	(\$119,619,411)	-9.39%
30				
31	Cash Flows from Financing Activities:			
32	Proceeds from Issuance of:			
33	Long-Term Debt	\$27,493,724	\$0	-100.00%
34	Preferred Stock			
35	Common Stock	65,207,454	4,970,954	-92.38%
36	Other:	264,363	375,227	41.94%
37	Net Increase in Short-Term Debt	0	20,000,000	100.00%
38	Other: Commercial Paper			
39	Payment for Retirement of:			
40	Long-Term Debt	(5,600,000)	(106,664)	98.10%
41	Preferred Stock			
42	Common Stock			
43	Other: Adjustment to Retained Earnings	(384,084)	(78,140)	79.66%
44	Net Decrease in Short-Term Debt			
45	Dividends on Preferred Stock	(685,004)	(685,004)	0.00%
46	Dividends on Common Stock	(115,447,274)	(119,496,026)	-3.51%
47	Other Financing Activities (related to IGC acquisition)	(57,000,000)	0	100.00%
48	Net Cash Provided by (Used in) Financing Activities	(\$86,150,821)	(\$95,019,653)	-10.29%
49				
50	Net Increase/(Decrease) in Cash and Cash Equivalents	\$27,869,867	(\$23,828,358)	-185.50%
51	Cash and Cash Equivalents at Beginning of Year	\$2,233,504	\$30,103,371	1247.81%
52	Cash and Cash Equivalents at End of Year	\$30,103,371	\$6,275,013	-79.16%

LONG TERM DEBT

Year: 2010

	Description	Issue Date Mo./Yr.	Maturity Date Mo./Yr.	Principal Amount	Net Proceeds	Outstanding Per Balance Sheet	Yield to Maturity	Annual Net Cost Inc. Prem/Disc.	Total Cost % 1/
1	6.61% Senior Notes	09/09	09/16	\$25,000,000	\$24,423,218	\$25,000,000	6.61%	\$1,778,500	7.11%
2	6.66% Senior Notes	10/09	09/16	25,000,000	24,423,218	25,000,000	6.66%	1,791,500	7.17%
3	5.98% Senior Notes	12/03	12/33	30,000,000	29,456,832	30,000,000	5.98%	1,861,500	6.21%
4	6.33 % Senior Notes	08/06	08/26	100,000,000	89,123,930	100,000,000	6.33%	7,514,000	7.51%
5	6.04 % Senior Notes	09/08	09/18	100,000,000	99,637,568	100,000,000	6.04%	6,181,000	6.18%
6									
7									
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23									
24									
25									
26	TOTAL			\$280,000,000	\$267,064,766	\$280,000,000		\$19,126,500	6.83%

1/ Includes interest expense, bond discount expense, debt issuance expense and loss on bond reacquisition and redemption.

PREFERRED STOCK

Year: 2010

	Series	Issue Date Mo./Yr.	Shares Issued	Par Value	Call Price 1/	Net Proceeds	Cost of Money	Principal Outstanding	Annual Cost	Embed. Cost %
1	4.50 % Cumulative	01/51	100,000	\$100	\$105	\$10,000,000	4.50%	\$10,000,000	\$450,000	4.50%
2	4.70 % Cumulative	12/55	50,000	100	102	5,000,000	4.70%	5,000,000	235,000	4.70%
3	5.10 % Cumulative 2/	05/61	50,000	100	102	4,947,548	5.29%	500,000	30,600	5.29%
4										
5										
6										
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31										
32	TOTAL					\$19,947,548		\$15,500,000	\$715,600	4.62%

1/ Plus accrued dividends.

2/ Mandatory annual redemption of \$100,000.

COMMON STOCK

Year: 2010

		Avg. Number of Shares Outstanding 1/	Book Value Per Share	Earnings Per Share 2/	Dividends Per Share	Retention Ratio	Market Price		Price/Earnings Ratio 3/
							High	Low	
1	January								
2									
3	February								
4									
5	March	188,096,018	\$13.78	\$0.22	\$0.1575	28.41%	\$24.15	\$19.54	15.4
6									
7	April								
8									
9	May								
10									
11	June	188,131,401	13.89	0.26	0.1575	39.42%	22.90	17.11	13.3
12									
13	July								
14									
15	August								
16									
17	September	188,185,016	14.07	0.32	0.1575	50.78%	20.48	17.61	16.8
18									
19	October								
20									
21	November								
22									
23	December	188,315,691	14.22	0.47	0.1625	65.43%	21.27	19.52	16.0
24									
25									
26									
27									
28									
29									
30	TOTAL Year End	188,362,458	\$14.22	\$1.27	\$0.6350	50.00%			16.0

1/ Basic shares

2/ Basic earnings per share.

3/ Calculated on 12 months ended using closing stock price.

MONTANA EARNED RATE OF RETURN

Year: 2010

	Description	Last Year 4/	This Year	% Change
	Rate Base			
1				
2	101 Plant in Service	\$87,224,626	\$92,424,356	5.96%
3	108 (Less) Accumulated Depreciation	48,509,981	50,296,570	3.68%
4				
5	NET Plant in Service	\$38,714,645	\$42,127,786	8.82%
6				
7	CWIP in Service Pending Reclassification	\$485,126	\$442,264	-8.84%
8				
9	Additions			
10	154, 156 Materials & Supplies	\$521,197	\$508,979	-2.34%
11	165 Prepayments	23,204	23,075	-0.56%
12	Prepaid Demand/Commodity Charges	1,072,885	1,086,349	1.25%
13	Gas in Underground Storage	6,868,124	6,702,686	-2.41%
14	189 Unamortized Loss on Debt 4/	678,608	631,135	-7.00%
15	182 Other Regulatory Assets	186,894	148,226	-20.69%
16				
17	TOTAL Additions	\$9,350,912	\$9,100,450	-2.68%
18				
19	Deductions			
20	190 Accumulated Deferred Income Taxes 5/	\$6,016,315	\$7,621,484	26.68%
21	252 Customer Advances for Construction	796,890	770,737	-3.28%
22	255 Accumulated Def. Investment Tax Credits	27,029	6,977	-74.19%
23				
24	TOTAL Deductions	\$6,840,234	\$8,399,198	22.79%
25	TOTAL Rate Base	\$41,710,449	\$43,271,302	3.74%
26				
27	Net Earnings	\$3,176,154	\$3,081,995	-2.96%
28				
29	Rate of Return on Average Rate Base	7.95%	7.25%	-8.81%
30				
31	Rate of Return on Average Equity	9.07%	7.72%	-14.88%
32				
33	Major Normalizing Adjustments & Commission			
34	<u>Ratemaking adjustments to Utility Operations 1/</u>			
35				
36	<u>Adjustment to Operating Revenues</u>			
38	Weather Normalization	(\$69,394)	\$98,566	242.04%
39	Late Payment Revenue	31,248	26,530	-15.10%
40	Gain from Disposition of Utility Plant 2/	41,971	41,025	-2.25%
41	Penalty Revenue 3/	30,134	22,398	-25.67%
42				
43	<u>Adjustment to Operating Expenses</u>			
44	Elimination of Promotional & Institutional Advertising	(15,322)	(17,179)	-12.12%
45	Elimination of Supplemental Insurance	77,414	108,105	39.65%
46	Elimination of 401K Tax Deduction	214,569	192,098	-10.47%
47				
48	Total Adjustments to Operating Income	(\$242,702)	(\$94,505)	61.06%
49	Adjusted Rate of Return on Average Rate Base	7.34%	7.03%	-4.22%
50				
51	Adjusted Rate of Return on Average Equity	7.89%	7.31%	-7.35%

1/ Updated amounts, net of taxes.

2/ Amortized over five years.

3/ Adjusted to reflect a three year average.

4/ Adjusted to reflect Unamortized Loss on Debt not reported on 2009 Annual Report.

5/ Adjusted to reflect tax effect of Unamortized Loss on Debt not reported on 2009 Annual Report.

MONTANA COMPOSITE STATISTICS

Year: 2010

	Description	Amount
1		
2	Plant (Intrastate Only) (000 Omitted)	
3		
4	101 Plant in Service	\$93,879
5	107 Construction Work in Progress	417
6	114 Plant Acquisition Adjustments	
7	104 Plant Leased to Others	
8	105 Plant Held for Future Use	
9	154, 156 Materials & Supplies	509
10	(Less):	
11	108, 111 Depreciation & Amortization Reserves	50,297
12	252 Contributions in Aid of Construction	771
13		
14	NET BOOK COSTS	\$43,737
15	Revenues & Expenses (000 Omitted)	
16		
17		
18	400 Operating Revenues	\$70,845
19		
20	403 - 407 Depreciation & Amortization Expenses	\$2,816
21	Federal & State Income Taxes	805
22	Other Taxes	3,126
23	Other Operating Expenses	61,016
24	TOTAL Operating Expenses	\$67,763
25		
26	Net Operating Income	\$3,082
27		
28	Other Income	1,411
29	Other Deductions	1,723
30		
31	NET INCOME	\$2,770
32	Customers (Intrastate Only)	
33		
34		
35	Year End Average:	
36	Residential	69,403
37	Firm General	8,474
38	Small Interruptible	43
39	Large Interruptible	5
40		
41	TOTAL NUMBER OF CUSTOMERS	77,925
42	Other Statistics (Intrastate Only)	
43		
44		
45	Average Annual Residential Use (Dkt)	86
46	Average Annual Residential Cost per (Dkt) (\$) * 1/	\$7.37
47	* Avg annual cost = [(cost per Dkt x annual use) + (monthly service charge x 12)]/annual use	
48	Average Residential Monthly Bill	\$52.82
49	Gross Plant per Customer	\$1,205

MONTANA CUSTOMER INFORMATION

Year: 2010

	City/Town	Population (Includes Rural) 1/	Residential Customers	Commercial Customers	Industrial & Other Customers	Total Customers
1	Belfry	218	129	18		147
2	Billings	104,170	45,080	4,436		49,516
3	Bridger	708	413	62		475
4	Crow Agency	1,616	311	75		386
5	Edgar	114	104	6		110
6	Fromberg	438	278	16		294
7	Hardin	3,505	1,257	197		1,454
8	Joliet	595	359	44		403
9	Laurel	6,718	3,807	277		4,084
10	Park City	983	610	26		636
11	Pryor	618	91	14		105
12	Rockvale	Not Available	67	4		71
13	Silesia	96	31	2		33
14	Warren	Not Available	0	2		2
15	Alzada	29	11	8		19
16	Baker	1,741	794	180		974
17	Carlyle	Not Available	7	1		8
18	Fort Peck	233	131	10		141
19	Fairview	840	368	57		425
20	Forsyth	1,777	871	151		1,022
21	Frazer	362	101	14		115
22	Glasgow	3,250	1,625	321		1,946
23	Glendive	4,935	3,056	416		3,472
24	Hinsdale	217	116	20		136
25	Ismay	19	11	4		15
26	Malta	1,997	995	203		1,198
27	Miles City	8,410	3,899	560		4,459
28	Nashua	290	166	22		188
29	Poplar	810	843	135		978
30	Richey	177	116	25		141
31	Rosebud	111	43	7		50
32	Saco	197	39	6		45
33	Savage	Not Available	146	20		166
34	Sidney	5,191	2,353	436		2,789
35	Terry	605	317	58		375
36	St. Marie	264	201	11		212
37	Wibaux	589	218	48		266
38	Whitewater	64	31	9		40
39	Wolf Point	2,621	1,349	201		1,550
40	MT Oil Fields	Not Available	1	3		4
41	TOTAL Montana Customers	154,508	70,345	8,105	0	78,450

MONTANA EMPLOYEE COUNTS 1/

Year: 2010

	Department	Year Beginning	Year End	Average
1	Electric	17	20	19
2	Gas	40(1)	40	40(1)
3	Accounting	8	8	8
4	Management	5	5	5
5	Service	36	31	34
6	Communications/Substation/Training	2	1	2
7	Power Production	31	32	32
8				
9				
10				
11				
12				
13				
14				
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32				
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34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44	TOTAL Montana Employees	139(1)	137(0)	138(1)

1/ Parentheses denotes part-time.

MONTANA CONSTRUCTION BUDGET (ASSIGNED & ALLOCATED)

Year: 2010

	Project Description	Total Company	Total Montana	
1	<u>Projects>\$1,000,000</u>			
2	<u>Common-Intangible</u>			
3	Replace Customer Information System	3,248,061	857,006	1/
4	Replace Mobile Workforce Software	1,153,694	295,305	1/
5	<u>Electric-Steam Production</u>			
6	Replace Boiler Radiant Superheater at Big Stone	1,264,836	313,257	1/
7	<u>Electric-Other Production</u>			
8	Install 75MW Combustion Turbine in ND	4,431,915	1,097,657	1/
9	<u>Electric-Transmission</u>			
10	Construct Switching Station in Northeast Bismarck	1,542,879	0	
11	Construct Merricourt Windfarm Substation	4,037,143	729,441	1/
12	Upgrade Ellendale Station for Merricourt Windfarm	2,185,083	394,806	1/
13	Rebuild Transmission Line from Glendive to Baker, MT	1,522,954	1,522,954	2/
14	Install 115KV Tap in NE Bismarck	2,119,148	0	
15	Install 115KV oilfield line tap - Glendive to Baker, MT	1,357,850	336,282	1/
16	Construct 230KV Substation for Merricourt Windfarm	13,899,873	3,444,095	1/
17	<u>Electric-General</u>			
18	Replace/Upgrade EMS Software	3,457,746	797,482	1/
19	<u>Electric-Intangible</u>			
20	Demand Response - AC Cycling	1,459,690	336,657	1/
21	<u>Gas-Distribution</u>			
22	Install Main on Elk Vale-Rapid City	1,838,109	0	1/
23	<u>Other Projects<\$1,000,000</u>			
24	<u>Electric</u>			
25	Production	12,426,262	3,023,398	1/
26	Integrated Transmission	2,748,042	577,029	1/
27	Direct Transmission	1,187,043	202,053	2/
28	Distribution	13,704,208	2,784,482	2/
29	General	3,466,300	803,384	1/
30	Intangible	14,173	3,269	1/
31	Common:			
32	General Office	2,557,151	593,683	1/
33	Other Direct	934,814	176,963	2/
34	Total Electric	37,037,993	8,164,261	
35	<u>Gas</u>			
36	Distribution	15,362,920	5,091,168	1/
37	General	2,326,424	792,129	2/
38	Common:			
39	General Office	1,467,290	444,141	1/
40	Other Direct	449,589	154,487	2/
41	Total Gas	19,606,223	6,481,925	
42	TOTAL	\$100,163,197	\$24,771,128	

1/ Allocated to Montana.

2/ Directly assigned to Montana.

TRANSMISSION SYSTEM - TOTAL COMPANY & MONTANA

Year: 2010

		Total Company		
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf or Dkt
1	January	NOT APPLICABLE		
2	February			
3	March			
4	April			
5	May			
6	June			
7	July			
8	August			
9	September			
10	October			
11	November			
12	December			
13	TOTAL			

		Montana		
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf or Dkt
14	January	NOT APPLICABLE		
15	February			
16	March			
17	April			
18	May			
19	June			
20	July			
21	August			
22	September			
23	October			
24	November			
25	December			
26	TOTAL			

DISTRIBUTION SYSTEM - TOTAL COMPANY & MONTANA

Year: 2010

Total Company				
		Peak Day of Month	Peak Day Volumes Dkt	Total Monthly Volumes Dkt
1	January	7	309,605	6,774,465
2	February	8	259,257	5,839,356
3	March	19	175,938	4,148,232
4	April	2	128,491	2,980,672
5	May	6	133,251	2,470,063
6	June	17	61,108	1,568,097
7	July	23	50,682	1,282,982
8	August	11	53,231	1,345,003
9	September	23	88,723	1,862,943
10	October	27	167,785	2,877,075
11	November	24	276,237	5,348,331
12	December	31	298,391	6,858,255
13	TOTAL			43,355,474

Montana				
		Peak Day of Month	Peak Day Volumes Dkt	Total Monthly Volumes Dkt
14	January	7	95,653	2,043,827
15	February	8	80,739	1,717,057
16	March	19	51,875	1,202,374
17	April	30	49,731	1,062,836
18	May	6	45,889	851,896
19	June	17	24,306	546,613
20	July	23	22,523	409,677
21	August	11	24,628	467,346
22	September	22	33,875	708,120
23	October	27	53,535	1,005,072
24	November	23	93,780	1,768,675
25	December	31	92,402	2,050,359
26	TOTAL			13,833,852

STORAGE SYSTEM - TOTAL COMPANY & MONTANA

Year: 2010

		Total Company						
		Peak Day of Month		Peak Day Volumes (Dkt)		Total Monthly Volumes (Dkt)		
		Injection	Withdrawal	Injection	Withdrawal	Injection	Withdrawal	Losses
1	January	7	7	2,253	182,655	8,525	2,989,413	
2	February	23	8	882	141,677	2,678	2,502,603	
3	March	29	19	31,868	62,450	140,071	861,655	
4	April	22	2	37,292	23,179	475,143	173,609	
5	May	27	6	52,499	24,941	889,198	112,884	
6	June	26	17	61,786	3,093	1,595,329	12,308	
7	July	31	23	69,300	8,680	2,000,258	21,951	
8	August	27	11	96,967	9,031	2,229,550	56,924	
9	September	4	28	69,190	5,794	1,769,070	14,757	
10	October	10	27	67,565	29,266	1,330,404	178,025	
11	November	7	24	47,103	132,169	328,539	1,371,968	
12	December	26	31	3,099	163,477	20,839	2,574,927	
13	TOTAL					10,789,604	10,871,024	

		Montana						
		Peak Day of Month		Peak Day Volumes (Dkt)		Total Monthly Volumes (Dkt)		
		Injection	Withdrawal	Injection	Withdrawal	Injection	Withdrawal	Losses
14	January							
15	February							
16	March							
17	April							
18	May							
19	June	NOT AVAILABLE						
20	July							
21	August							
22	September							
23	October							
24	November							
25	December							
26	TOTAL							

SOURCES OF GAS SUPPLY

Year: 2010

	Name of Supplier 1/	Last Year Volumes Dkt	This Year Volumes Dkt	Last Year Avg. Commodity Cost	This Year Avg. Commodity Cost
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29	1/ Supplier information is proprietary and confidential.				
30					
31					
32					
33	Total Gas Supply Volumes	38,972,199	34,246,581	\$3.456	\$4.043

MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS

Year: 2010

	Program Description	Current Year Expenditures	Last Year Expenditures	% Change	Planned Savings (Mcf or Dkt)	Achieved Savings (Mcf or Dkt)	Difference
1							
2	MT Conservation & DSM Program	\$92,470	\$71,868	28.67%	N/A	8,680	N/A
3	(As Detailed on Schedule 36B)						
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32	TOTAL	\$92,470	\$71,868	28.67%	N/A	8,680	N/A

MONTANA CONSUMPTION AND REVENUES

Year: 2010

	Sales of Gas	Operating Revenues		DK Sold		Avg. No. of Customers	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Residential	\$43,725,041	\$49,407,605	5,936,058	6,204,526	69,403	68,846
2	Firm General	25,349,139	28,444,787	3,579,825	3,688,817	8,474	8,351
3	Small Interruptible	1,024,066	590,262	196,222	111,591	7	7
4	Large Interruptible	1,161	33,351	146	5,619	0	0
5							
6							
7							
8							
9							
10							
11	TOTAL	\$70,099,407	\$78,476,005	9,712,251	10,010,553	77,884	77,204
12							
13							
14		Operating Revenues		BCF Transported		Avg. No. of Customers	
15							
16		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
17	Transportation of Gas						
18							
19	Small Interruptible	\$621,303	\$619,033	0.7	0.7	36	38
20	Large Interruptible	651,301	496,918	4.3	3.6	5	5
21							
22							
23							
24	TOTAL	\$1,272,604	\$1,115,951	5.0	4.3	41	43

NATURAL GAS UNIVERSAL SYSTEM BENEFITS PROGRAMS

Year: 2010

	Program Description	Actual Current Year Expenditures	Contracted or Committed Current Year Expenditures	Total Current Year Expenditures	Expected savings (Mcf or Dkt)	Most recent program evaluation
1	Local Conservation					
2						
3						
4						
5						
6						
7						
8	Market Transformation					
9						
10						
11						
12						
13						
14						
15	Research & Development					
16						
17						
18						
19						
20						
21						
22	Low Income					
23	Discounts	\$641,572	\$0	\$641,572		2010
24	Furnace Safety/Repair	50,000	0	50,000		2010
25	Bill Assistance	65,000	0	65,000		2010
26						
27						
28						
29	Other					
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42	Total	\$756,572	\$0	\$756,572		2010
43	Number of customers that received low income rate discounts			(Average)	4,384	
44	Average monthly bill discount amount (\$/mo)				\$12.19	
45	Average LIEAP-eligible household income				N/A	
46	Number of customers that received weatherization assistance				N/A	
47	Expected average annual bill savings from weatherization				N/A	
48	Number of residential audits performed				N/A	

MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS

Year: 2010

	Program Description	Actual Current Year Expenditures	Contracted or Committed Current Year Expenditures	Total Current Year Expenditures	Expected savings (Mcf or Dkt)	Most recent program evaluation
1	Local Conservation					
2	High Efficiency Furnace	\$83,550	\$0	\$83,550	7,030	2010
3						
4	Programmable Thermostat	8,920	0	8,920	1,650	2010
5						
6						
7						
8						
9	Demand Response					
10						
11						
12						
13						
14						
15						
16	Market Transformation					
17						
18						
19						
20						
21						
22						
23	Research & Development					
24						
25						
26						
27						
28						
29						
30	Low Income					
31						
32						
33						
34						
35						
36	Other					
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Total	\$92,470	\$0	\$92,470	8,680	2010